

Managing Small Business Environmental Assistance Programs for Results

Report On Ten State Demonstration Projects (1999 –2001)
October 31, 2001

Introduction and Summary

Small Programs With Big Missions

In October 1999, EPA's Office of Small Business Ombudsman announced ten demonstration projects funded under a Small Business Assistance Cooperative Agreement Program. These projects are designed to improve state environmental assistance to small businesses with an emphasis on measuring results and benefits.

The state operated programs were established in 1990 under the Clean Air Act. Each is required to include three components: a Small Business Ombudsman (SBO), a Small Business Assistance Program (SBAP), and a Compliance Advisory Panel (CAP). They provide direct assistance to small businesses and play important roles as facilitator, communicator and mediator between small business operators and regulatory agencies. They see themselves with a mission to help all small businesses in the state covered by environmental regulation to reach compliance and to do so in a sound business way.

The state programs are small, half with budgets under \$200,000, most with budgets under \$500,000 and only two with budgets at \$1 million. About 70 percent of the programs have staffs with four FTEs or fewer.

The Cooperative Agreement Grant awards, for up to a two-year period, ranged from \$60,000 to \$100,000. While small, the grants were significant compared to budgets, and enabled the staff to launch important demonstration projects.

This report summarizes the results of two years' experience with the demonstration efforts. As of October 2001 all ten are still operating and all have had significant experience with the approaches proposed in their applications. Part I summarizes the findings from the two years of experience. Part II summarizes the experience of each of the ten projects. Full project case studies, as of October 31, 2001, are provided in the Appendix.

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Part I.

Summary of Findings

Promising and delivering results

The public sector can invest in low cost campaigns that, over a two to four year period, systematically move all small businesses in an industry sector to compliance with environmental regulation.

The public sector can invest in low cost campaigns that, over a two to four year period, systematically move most small businesses in an industry sector from using polluting equipment to “clean technologies.”

The public sector can invest in compliance assistance programs that enroll public and private sector organizations in a statewide, highly leveraged network of partners to reach and assist most small businesses covered by environmental regulation.

State governments have access to a national “knowledge management network” that dramatically reduces the state’s development, start up, and operating costs for any compliance goal it sets as a target.

These are four most important findings from the ten state demonstration projects funded by Congress in 1999. The Small Business Assistance Programs can promise and deliver very specific, measurable results on mission – industry sectors in compliance with regulations and shifting to best environmental practice. The SBAPs can mobilize public and private sector organizations to reach out

and assist small businesses thereby dramatically adding more voices and commitment to achieving the environmental goals of the state. And finally, because the state programs work cooperatively to increase the knowledge and methods for delivering assistance, any state program can move quickly and inexpensively by drawing on the knowledge assets of the total national network.

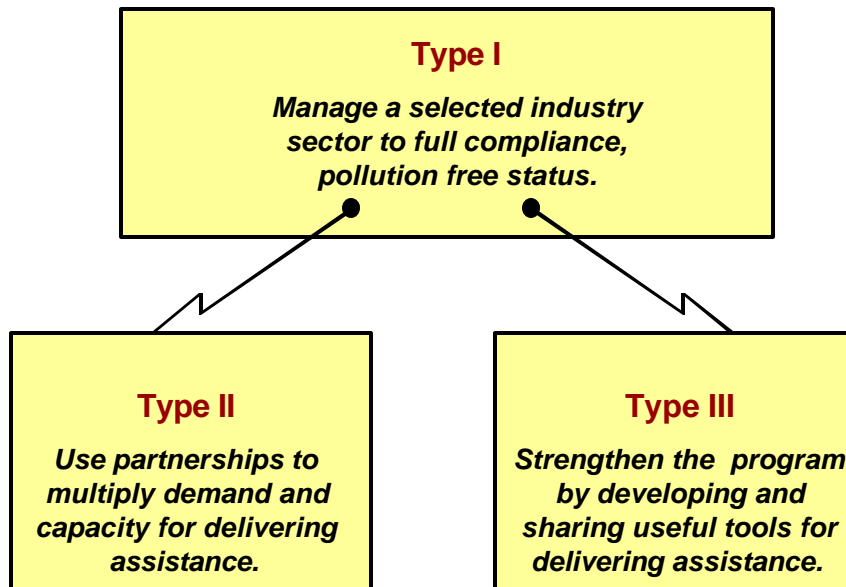
The experience of the ten demonstrations provides a framework for making the case for public sector investment in SBAP programs.

State programs report being under funded and under staffed. Conservative estimates are that to reach a critical mass for effectiveness and impact they should be at two or three times their current levels. The experience of the ten demonstrations provides a framework for making the case for public sector investment in these programs. Any potential public investment can be assessed in terms of the return to be delivered. The ten demonstrations show that the management discipline and methods exist within the national network of state SBAP programs to deliver the results promised in a cost effective way.

Three management competencies, three kinds of outcomes.

The ten projects have demonstrated three important management competencies within the SBAP network, illustrated by Figure 1, below.

Figure 1: Three Strategies for Managing Compliance Assistance



The first type is a long term strategy to produce results on mission by aggressive campaign management. Sectors are targeted and the targeted sector is systematically moved to high levels of compliance or converted over to pollution free practices. Public message campaigns provide incentives and celebrate success.

The second type leverages the usually small assistance program in dramatic ways through partnerships with a large number of public and private sector organizations. Significantly more businesses are reached and higher levels of assistance provided than could be expected by the staff of the program alone. Public support and involvement are built.

The third type positions each state program in the national network of state programs. This network, facilitated by EPA, operates as a learning community. It's a national network with significant intellectual assets and a knowledge management capability. This means federal and state funders can deploy proven methods and strategies in well defined campaigns with very low development and start up costs.

There is a relationship among the three management competencies. *Type II* and *Type III* are integral parts of *Type I: Manage For Targeted Results* (See Figure1).

The three are managed for different kinds of outcomes: industry sector status vs. customer service transactions vs. functional utility. (See Figure 2).

**Figure 2: Three Management Competencies
With Three Kinds of Results.**

<i>The three strategies for improving compliance assistance are managed on different outcome measures.</i>	Outcomes For Which The Manager Is Accountable		
	<i>Industry Sector Status</i>	<i>Service Transactions</i>	<i>Functional Utility</i>
Type I. <i>Manage a selected industry sector for full compliance or pollution free status.</i>	Industry sector in compliance, or in reduced pollution status.		
Type II. <i>Use partnerships to multiply demand for, and capacity to deliver, assistance.</i>		Increase in demand for assistance and in the level provided.	
Type III. <i>Strengthen the program by developing and transferring useful tools for delivering assistance</i>			Compliance assistance tools of proven utility developed.

The projects undertaken in the Ten State Demonstrations break out among the three management strategies: two Type I, four Type II, and four Type III.

The three models, and the model frameworks used in the case studies to describe each state project, are described on the following pages.

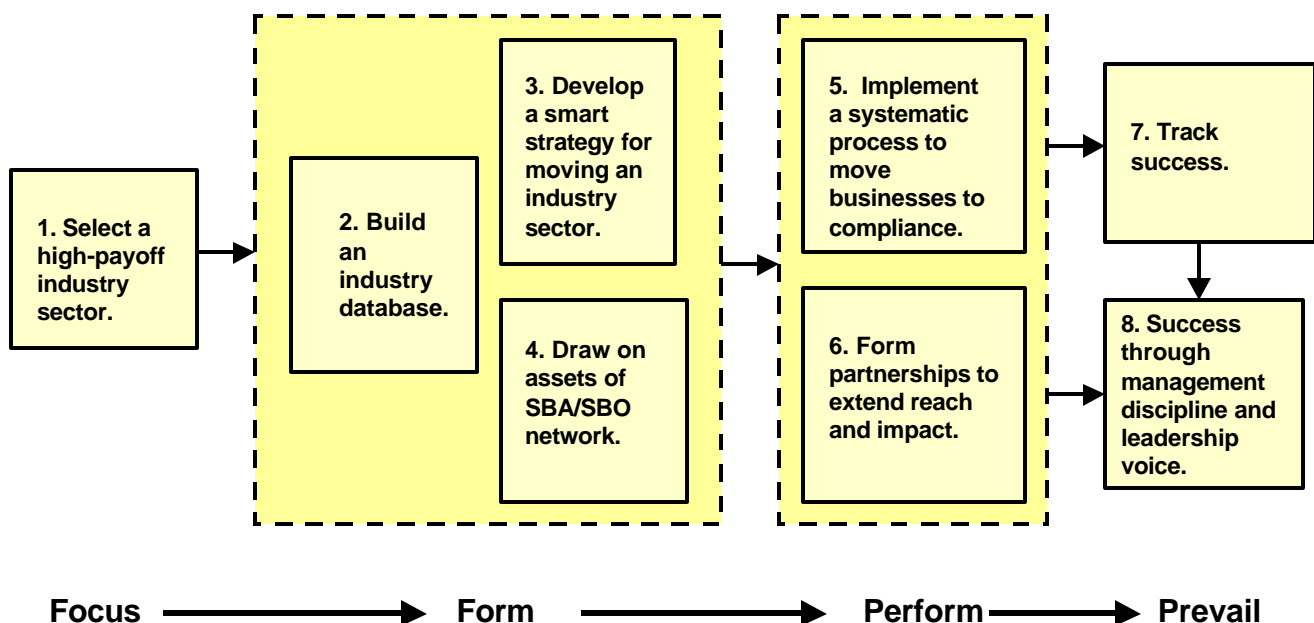
Type I. Manage for targeted results.

Two of the projects are Type I. They tested management strategies for systematically moving a specific industry sector into full compliance and toward cleaner technologies. They sought and produced measurable results on mission.

- ! **New York: Environmental Facilities Corp.** The project is demonstrating how a well organized information and public relations strategy can move a defined industry sector to compliance. It is a managed campaign to achieve for full compliance on gas station vapor recovery controls in a metropolitan area. The goal is to bring 2,700 gas stations into compliance with equipment testing in 3 to 4 years. The strategy is to restructure the testing industry, reach out to the gas stations, employ a high profile public message campaign and manage the dynamics of the sector toward full compliance.
- ! **Maine: Department of Environmental Protection.** The project is testing a strategy to reduce pollution by changing business practices in a targeted sector. One-on-one assistance to all auto repair and auto body shops in a three county area is designed to help them switch to optimum, clean technologies. The goal is to encourage a large proportion of the 500 targeted business to switch to “best environmental practice” over a one year period. It systematically engages each business in a phased information program.

While each worked in a different area and employed unique and innovative management practices, they all followed a similar management logic as captured in Figure 3 --- focus, form, perform, results.

Figure 3: “Type I” SBAP Project:
*“Manage a campaign in an industry sector
for achieving full compliance, low pollution status”*



They begin by *focusing*. They select a high payoff industry sector and set an ambitious goal to change the compliance and practices of all the small businesses in that sector. The bold goal makes the enterprise important and exciting. The innovative campaign strategy makes it achievable.

The next stage is effective program planning and design to *form* a strategy. These strategies are very much like “campaigns” where many parties are enrolled and incentives are created through media and public messaging. An important requirement for this approach is knowing the small business addresses for that industry sector.

In the demonstration projects, data bases usually had to be created by the program and this turned out to be an important asset. The programs were able to draw on the national SBAP/SBO network for information packages, materials and guidance. Both projects were able to carry out very sophisticated “system” planning to create change strategies that built in learning and adjustment.

*The key to each Type I strategy is measuring **results**. That means the ability to deploy a management discipline over time and to track the results in real time.*

With a strategy established, the projects *performed*. They implemented the strategy in a phased, incremental approach. They formed partnerships to extend the reach and to accelerate the rate of progress.

The key to each Type I strategy is measuring *results*. That means the ability to deploy a management discipline over time and to track the results in real time. A management information system enables the project manager to guide the project toward the goal. There is a disciplined review of the performance data to make adjustments.

Type II. Leverage Through Partnership Networks

Four of the projects are Type II, testing partnership development strategies to extend reach and impact.

- ! **New Jersey: Department of Environmental Protection.** The program is building the capacity to reach all small businesses by growing a large network of partner organizations. The strategy is to form working relationships with public and private organizations that have the channels and credibility to reach small businesses with information and assistance. High impact information is kept flowing through these channels. The partnership base, currently at 400, is continuously built up over time and relationships maintained and nurtured.
- ! **Minnesota: Pollution Control Agency.** The project is creating partnerships to provide on-going assistance to the entire fiberglass-reinforced plastics (FRP) manufacturing industry in the state. The SBAP has undertaken a systematic campaign to inform the entire industry segment — between 110 and 120 FRP businesses — about old and new regulations, and

opportunities to save costs and reduce pollution by incorporating new, less-polluting, more efficient materials and processes in their manufacturing operations. A broad-based set of partners has been enrolled, including the national industry trade association, a prestigious small business technical assistance program at the University of Minnesota, equipment suppliers, material vendors, SBDCs, and others. A “one-stop shopping” compliance assistance package has been distributed and an innovative event, “Demo Days,” has been produced, attracting over 170 people from across the FRP industry.

! **California: South Coast Air Quality Management District.**

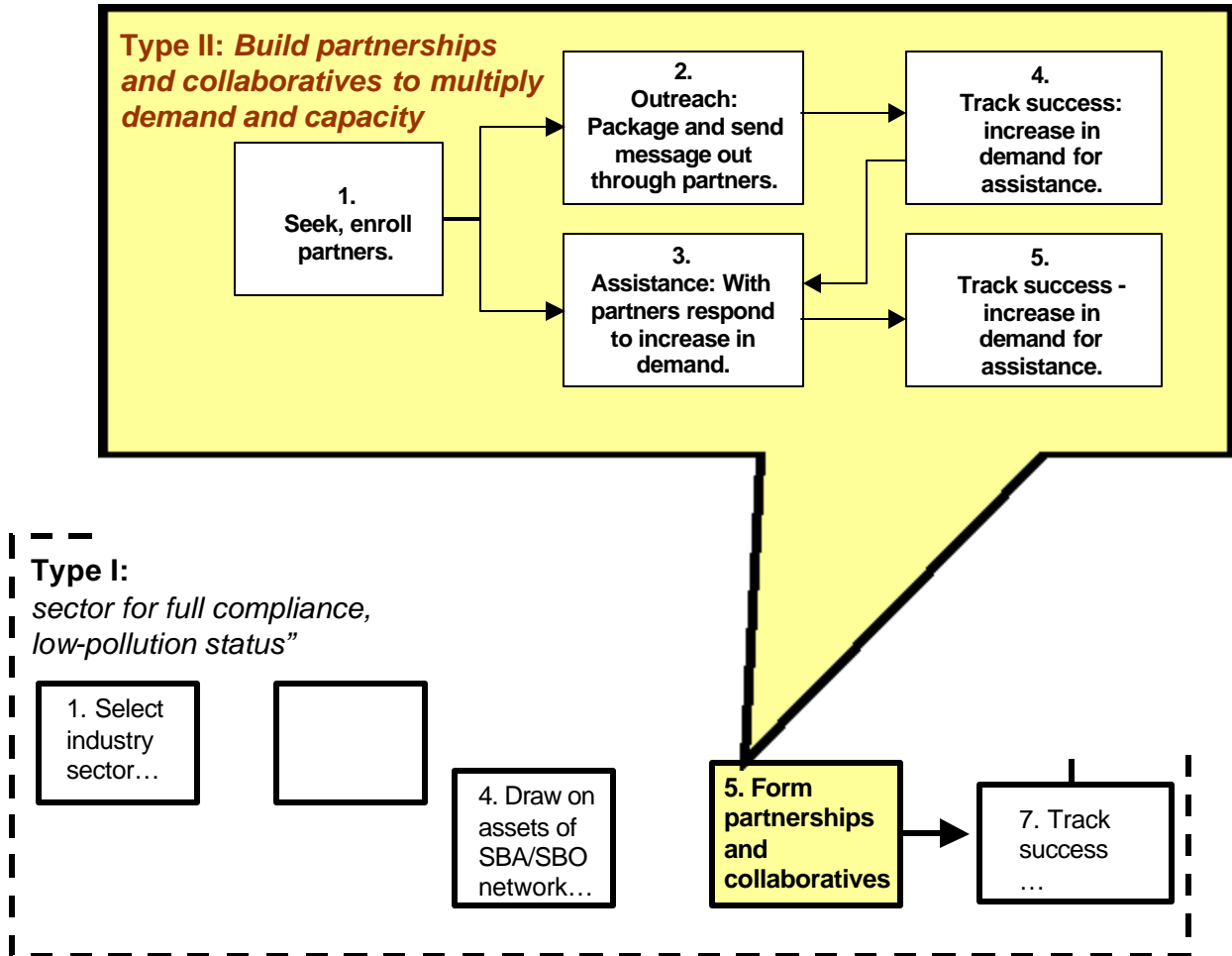
The project is testing a multi-state, public-private partnership approach to assist small businesses that operate industrial steam boilers. The intent is to reduce air emissions, save energy and reduce costs by simply persuading operators of industrial steam boilers to perform regular maintenance on their boiler units. A local gas company is contributing free, on-site boiler tune-ups as both an inducement to businesses to participate and an opportunity to demonstrate cost savings and pollution reduction benefits. The strategic “template” being tested in the Southern California demonstration project will be replicated by three other partner SBAPs in EPA’s Region IX.

...The management logic followed in this approach...begins with the staff adopting a partnership mind-set. It is looking for organizations that are already in contact with small businesses — for example, other government assistance programs, licensing agencies, industry associations and distributors.

- ! **Colorado: Department of Public Health and the Environment.** The project has set in place a partnership called “EnviroMentors” that dramatically increases the ability of its tiny, three-person staff to provide Colorado’s 10,000 small businesses with “one stop shopping” environmental assistance and information. the SBAP has enrolled over 60 partners, including 21 small business development centers (SBDCs), 10 chambers of commerce, 12 state and local pollution prevention organizations, 25 small business and trade organizations and several lending institutions.

Figure 4 on the next page illustrates the management logic followed in this approach. It begins with the staff adopting a partnership mind-set. It is looking for organizations that are already in contact with small businesses — for example, other government assistance programs, licensing agencies, industry associations and distributors. The SBAP asks these organizations to use their communication channels, such as newsletters, annual meetings, and web sites, to send out information and to create assistance opportunities. A portfolio of partners is developed over time as the staff encounters prospects.

Figure 4: “Type II” SBAP Project:
“Use partnerships to multiply the demand and capacity for delivering assistance.”



Enrolled partners are engaged in outreach activities. High impact information materials are distributed through the partner channels. These range from videos to calendars to public service announcements. These materials are key to the success of a leveraging strategy. The SBAP has to have quality materials to hand off to the partners. Programs are able to draw on the SBAP/SBO national network to access materials developed by EPA and other states. The demonstration program provided the resources needed to adapt and reproduce the materials.

The opportunities for outreach with partners are tracked and managed by the staff. The relationship with the partners is maintained by being in frequent contact and making requests. Simple logs are used to monitor the scale of outreach achieved each month. The impact of the outreach shows up in requests for assistance and attendance at events such as workshops and seminars. Partners are also engaged in delivering compliance assistance as demand increases.

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Type III. Develop And Transfer Tools for Delivering Assistance

Four of the projects are Type III, strengthening the national program by developing useful tools that can be used by all states.

- ! **Wyoming: Department of Environmental Quality.** The program is meeting the communication challenge of a largely rural state by building an “outreach system.” The system consists of a sortable data base of potentially all small businesses in the state, and a one-stop-source of compliance information, the Wyoming Small Business Assistance Guide. The data base and the guide are used by a consortium of partners to reach small businesses. The system makes possible an on-going series of targeted outreach initiatives to specific businesses on high priority topics.
- ! **South Carolina: Department of Health and Environmental Control.** The program is developing outreach methods for an unusually hard to reach business sector. Auto body, auto repair and salvage yards are numerous and represent an environmental threat. These businesses are hard to find and often beyond the reach of the regulatory sector. A unique, intensive series of workshops throughout the state was tested to bring assistance close to the customer. An evaluation effort is underway to better understand how to reach this sector.
- ! **Montana: Department of Environmental Quality.** The SBAP has surveyed the needs of Montana small businesses for environmental assistance, especially focusing on rural communities in Montana’s “High Line” (Northern) region and in Eastern Montana, both of which have historically been difficult to serve because of their distance from urban centers in

Central and Western Montana. In Phase Two, the project will apply the results of that assessment to test different marketing methods to stimulate requests for assistance, and to increase business and public awareness about the assistance program.

! **Kansas: State University**

Pollution Prevention Institute. The

SBAP initially tested an approach using retired engineers to provide direct, one-on-one assistance to small businesses in three industries: dry cleaners, automotive repair/auto body and metal finishing. That project proved unsuccessful, but generated a body of experience that other SBAPs considering a similar strategy now have access to. The SBAP has gone on to apply the Cooperative Agreement Grant in launching a “Type I” assistance campaign aimed at increasing compliance and reducing pollution in Colorado's printing industry.

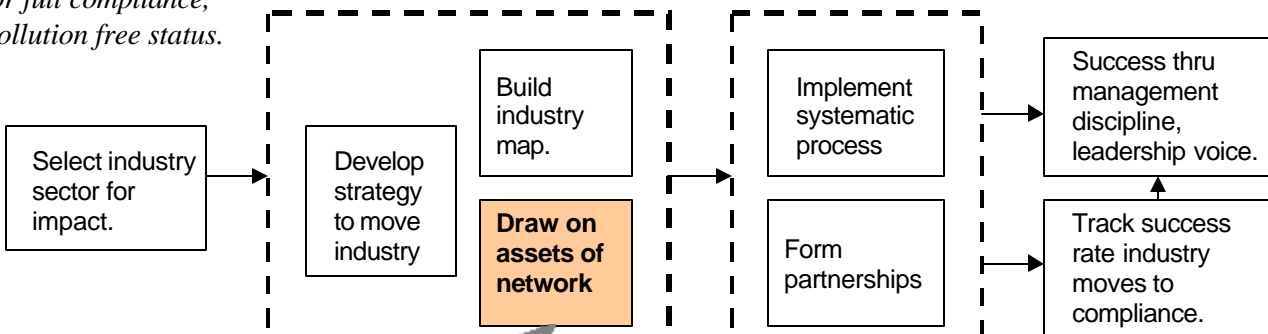
...The Type III approach...begins with the staff seeing a new program capacity that, if secured, would dramatically strengthen the program.

Figure 5 on the next page illustrates the management logic followed in the Type III approach. It begins with the staff seeing a new program capacity that, if secured, would dramatically strengthen the program. For example, in Wyoming having a small business data base was seen a critical to being able to communicate effectively with owners and operators. There was not one in place that was accessible and reliable. A decision was made to invest in the development of what would be come a strategic asset of the program.

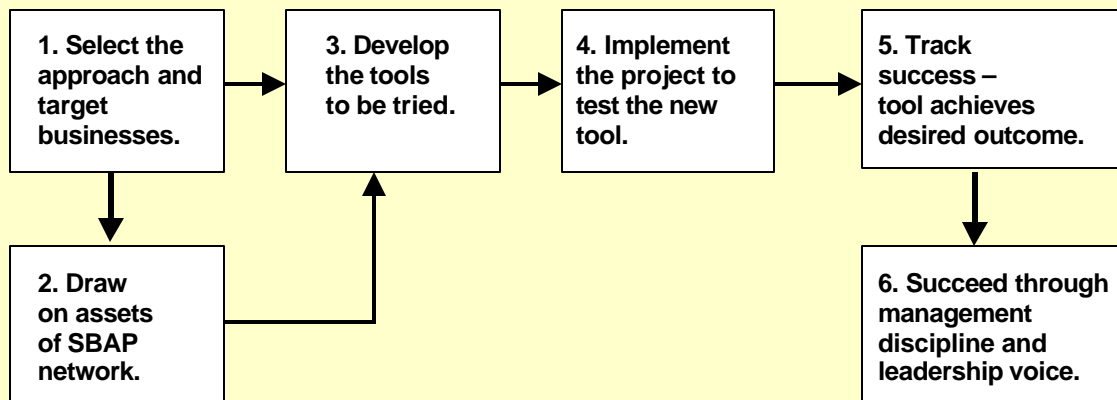
Once a development agenda is set, the program staff draws on the assets of the national SBAP/SBO network for models and ideas. The desired tool is developed and tested. For the demonstrations, within 3 to 6 months the likely success of the approach became evident and the staff adjusted. Each development project was an experiment that did not always work, but always provided useful information and learning. In each of the four cases the models under development had to be adjusted as early assumptions were found not to hold.

Figure 5: “Type III” SBAP Project:
“Strengthen the program by developing and sharing useful tools for delivering assistance.”

Type I: Manage an industry sector for full compliance, pollution free status.



Type III: “Strengthen the program by developing useful tools for delivering assistance”
The approach can be described in terms of six steps.



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Five Lessons From The Ten Demonstrations

1. Properly resourced, SBAPs can produce dramatic results on mission over time. The ultimate success on mission is having all small businesses in an industry sector in compliance and/or adopting “best environmental practice.” Progress toward those two ideals can be measured as the percent of businesses in compliance or the percent in “best practice” status. Program performance is the speed at which a program is moving an industry sector toward that 100 percent ideal. The Type I demonstration projects show how SBAPs can manage for results on mission. While further testing is required, the experience suggests that significant high risk, high need sectors can be targeted and ambitious, full-compliance goals reached with sustained, two- to four-year efforts.

New York State’s experience over one year shows how a large sector, 2,700 gas stations, can be moved from zero to 100 percent compliance on gas pump vapor control testing over four years. Maine shows how a significant part of some 500 auto body and auto repair shops can be moved to adopt pollution free equipment. Maine was able to identify the interested and possibly-interested businesses, and set the next stage to move a significant number of those to the best practice.

...The experience suggests that significant high risk, high need sectors can be targeted and ambitious, full-compliance goals reached with sustained, 2-4 year efforts.

2. Disciplined campaign management is a promising approach to achieving targeted results on mission. When there are small business sectors where the environmental risk is high, a targeted, sustained, strategic effort to get high levels of compliance and change in practice may be called for. The Type I projects have demonstrated what that disciplined approach consists of and how to manage it. Referred to as “campaign management,” it begins with the selection of a high payoff sector where results can be measured and the impact can be great.

The two key elements of a campaign are the measurable goal and a flexible, comprehensive strategy. Managing to a measurable target goal, in a sense, defines the campaign. In New York State it was all gas stations in compliance over several years. The project created an information system to track the status of the 2,700 stations from month to month. It knew how many tests were being reported. In Maine it was getting 20 percent of the target group to move to pollution free equipment. Surveying was used to track current practice and interest in switching over time.

The strategy has to be comprehensive in that many forces have to be brought to bear to get changes in behavior. It begins with first getting the attention of the small business operator and then creating interest in the environmental agenda. Innovative outreach and public relations programs have to be employed. New York State has its *Petey Platypus* “Good Guy” sticker campaign to make it good business for a station to be in compliance and show it to the public. Maine used personal phone calls and raffles for pollution free equipment to increase interest.

The strategy has to be flexible in that management will have to drop what isn’t working and add activities that promise greater impact. On-going measurement of results in real time tells management if the strategy is working. New York, for example, knew that the stations were confused about the testing requirements following a mailing. They took corrective action. New York saw the possibility of increasing the power of the *Petey Platypus* “Good Guy sticker” by bringing the program to school children.

3. High leverage partnership networks can dramatically expand the reach and impact of the SBAP.

There are public and private sector organizations that have strong relationships with many small businesses and communicate with them regularly.

Associations, schools, distributors, small business assistance agencies and other entities already have in place the infrastructure for communicating with and influencing small businesses. The Type II demonstration projects show how

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development of such resources as “marketing partners” can be a core competency of the SBAP. Partnership development is an attitude and a discipline that can be developed. It’s a rigorous approach to seeing and seizing the opportunities that regulation has created.

The SBAPs have assets they can contribute to these partnerships: knowledge and access to small businesses,. The SBAPs are able to offer potential partner organizations attractive services and information that partners can in turn offer to the small businesses they are committed to. High quality material is the ammunition the SBAP can offer.

The impact can be significant. The New Jersey case shows how a staff of two can reach thousands of businesses through a network of 400 partners built up over several years. Minnesota was able to quickly gain access to a new industry segment by enrolling campaign partners — such as the national trade association, equipment vendors and raw material suppliers — who already had strong relationships and established credibility in the industry. California tapped a resource that was already in place — a gas company who already had a program of free steam boiler tune-ups in place — to instantly be able to offer an incentive drawing businesses into its campaign.

4. The building and maintenance of small business data bases can be a strategic responsibility of the SBAP and a strategic asset. In many of the demonstration projects special efforts had to be made to create address data bases in order to communicate with small businesses and to track the results of those communications. It frequently turned out that data bases were not in place to support enforcement and compliance assistance.

Building the data base is a manageable task but does take effort, attention, and some resources. Usually several sources have to be used and different data bases have to be combined. Care has to be taken in developing the software program so that it can be edited, sorted, updated, and used for tracking outreach and results. The data itself has to be cleaned and edited. Then the data base has to be tested by using it. Of course, it has to be updated and maintained as businesses come and go and regulations change.

When the data base has been built the SBAPs find themselves with an asset that has value. It is a valuable tool in planning effective outreach campaigns. It strengthens the SBAP's attractiveness as a partner to public and private sector organizations and as a partner with regulatory enforcement agencies.

5. Proactive SBAP management strategies create more opportunities for effectively aligning compliance assistance and regulatory enforcement

programs. Many of the demonstration projects reported cooperation between their compliance assistance program and enforcement agencies. The proactive SBAP management strategies, Types I, II, and III, created opportunities to align efforts for impact while maintaining client confidentiality and confidence. In South Carolina the enforcement staff participated in the workshop campaign. In New Jersey the enforcement agencies were enrolled as "internal partners." In New York State enforcement visits to gas stations became one of the forces moving the campaign forward. In Minnesota, the enforcement branch of the SBAP's parent agency agreed to be flexible in dealing with out-of-compliance businesses that were cooperating in efforts to change over to pollution-reducing new technology.

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Part II.

Summary of Demonstration Projects

This section presents brief descriptions of the ten projects. The full case studies are provided in the Appendix.

Type I. Manage an industry sector for full compliance or pollution free status.

New York State Environmental Facilities Corp:
Campaign management for full compliance on gas station vapor recovery controls in a metropolitan area.

“Orchestrating the forces that will produce full compliance.”

The project is demonstrating how a “strategically managed” information and public marketing campaign can move a defined industry sector to compliance. The project goal is to move 2,700 gasoline stations into compliance with vapor leak test requirements. In 1999, the compliance rate was essentially zero.

To reach the goal the project team had to orchestrate the restructuring of the testing sector and mount an information and public marketing campaign. The program has had seven major accomplishments over a 21 month period, October 1999 to June 2001:

In 1999, the compliance rate was essentially zero.

- ! Launched a high impact outreach program to have gas stations understand requirements and benefits, and to play in a public promotion game.
- ! Created a public gas station promotion campaign, the *Petey Platypus* “Good Guy sticker,” that enabled stations to showcase their compliance to the public.
- ! Created a public awareness campaign, through mass media and schools, that got the public invested in gas station compliance.
- ! Built the management information system to track, and make adjustments to assure, the movement of all gas stations to compliance over time.
- ! Resuscitated a vanished equipment testing industry and created a viable market for its service.
- ! Partnered with the enforcement agency and Small Business Environmental Ombudsman to align independent initiatives in a continual push for higher levels of compliance.

The project was aggressively managed as a campaign. It aligned a critical mass of stakeholders in a set of relationships that will move the sector to full compliance over a several year period. A management information system was created to track compliance. An address data base for the sector was the foundation of the tracking system. The team saw and seized opportunities to accelerate progress — for example, approaching distributors such as Texaco and Sunoco to enroll them in the public campaign. An elementary school education module was an exciting innovation, complementing the “Good Guy” sticker campaign.

These accomplishments have created a “critical mass” of activity to achieve the goal that *all stations have in place tested and maintained vapor control equipment*. At the rate the certified tests were being reported in 2001 it is expected that all stations will be certified by the end of 2003.

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Maine Small Business Assistance Program:

Focused, sustained promotion to move the auto body and repair sectors to toxic free practice.

“Going door-to-door with clean solutions that save money and avoid regulation.”

The mission is to move an industry sector beyond regulatory compliance to pollution avoidance. Auto repair and auto body businesses, 508 in a three county area, have been targeted. The goal is to reduce VOC emissions by 20 percent, by getting 20 percent of the firms to switch from solvent cleansers to aqueous parts cleaners. The engagement strategy is based on the belief that the most meaningful environmental improvements occur as a result of working one on one. Therefore a series of reinforcing contacts with each business is used to promote “best environmental practice.” An aggressively managed strategy of phased mailings, quickly followed up with phone contact, was used to document current practice and to sell “best practice.” Follow up mail surveys and case studies tracked progress for management purposes.

The focused, sustained promotion over a nine month period generated interest among small businesses and moved the sector toward “best practice.” This initiative indicates high potential for growth in “best practice” adoption. About 9 percent were already using aqueous parts cleaners and almost 50 percent expressed some interest in converting. Over the next two year period perhaps 70 percent of the business would be expected to be using clean technology. It will take time and follow through and there may be a ceiling on how much conversion can be achieved. The project found many small business owners with little time to talk (“too small and too busy”) and to work on the conversion. The program continues to develop approaches to reach and engage the small, busy operator.

Type II. Use partnerships to multiply the demand and capacity for delivering assistance.

New Jersey, Department of Environmental Protection:
Growing the capacity to reach all small businesses through partner organizations.

“100X: Each partner means access to 100 small businesses.”

The New Jersey State Small Business Assistance Program is organizing partner organizations to market the assistance program to small businesses. These “marketing partners” dramatically extend the reach and impact of the two person SBAP.

Partnerships leverage a small program into a high performance, high impact operation:

- ! **High outreach capacity:** the number of partners participating in outreach is on the order of 400 and continuously growing.
- ! **Great customer reach:** a large number of businesses engaged each year, on the order of 30,000.
- ! **High demand for assistance:** a large number of businesses, on the order of 3,000, are given compliance assistance (telephone calls, workshops) each year and the number is expected to grow.

Highly leveraged outreach has been the centerpiece of the New Jersey SBAP since 1992. Development of “marketing partners” is the core competency of the New Jersey program. The SBAP team sees itself leveraging other organizations’ channels, events, and resources. The power is in the broad range, and large number, of potential partners. It ranges from public organizations — such as Chambers of Commerce, Small Business Development Centers and colleges — to the private sector, such as supply distributors and dealers, trade associations and utilities. The possibilities are vast.

**“Like having artillery
but no shells.”**

In the past the team was not able to take full advantage of the partnerships because they did not have materials available for distribution. The Cooperative Agreement grant gave the team the resources needed to develop materials.

Effective partnering requires quality message material. In the past the team was not able to take full advantage of the partnerships because they did not have materials available for distribution. It was like having artillery but no shells. The Cooperative Agreement grant gave the team the resources needed to develop materials.

Partnership development is a discipline and an attitude. It's a long, never ending process. The team describes its approach as a mission: "Whenever I go to a meeting I stop and think: who is here that I can sign up? I walk into a meeting now and immediately I am assessing how can I get them to be a partner." It's "management by Rolodex." Creating an outreach network is about contacts and contacting people. The team uses simple manual information systems to run their enrolling, marketing and public relations efforts.

A partner brings instant trust and credibility with the small business community. The small business customers see the SBAP as an extension of organizations they trust and believe in. Each partner represents (on average) access to 100 small businesses. By building the network the SBAP is creating a unique and valuable asset for compliance assistance. It's an asset that would take hundreds of thousands of dollars to create through other means such as statewide advertising campaigns.

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***California, South Coast Air Quality Management District:
Demonstrating a four-state, public/private partnership to reduce emissions
by industrial boilers.***

*"SBAPs in four states join forces
to help businesses reduce air pollution,
conserve energy and save money."*

Small business assistance providers (SBAPs) in the four states in EPA's Region IX are demonstrating the feasibility of helping businesses that operate industrial steam boilers reduce air pollution, save energy, and reduce costs by simply keeping their boilers tuned up.

A four-state public and private partnership formed for this project is testing the approach in Southern California and plans to apply the template that is being developed throughout Region IX, which includes California, Arizona, Nevada and Hawaii.

The pilot project, when completed, will document annual cost savings and emission reductions for businesses that adhere to a recommended six-month schedule of regular boiler tune-ups. The campaign includes offering free tune-ups to targeted boiler operators, and the results of these tune-ups will be used to help convince all boiler operators of the benefits of tuning up. The project leaders expect the campaign to also improve awareness of the SBAPs among the boiler operators, a group which would not otherwise have known these environmental services were available.

The program had four major accomplishments from its inception in early 2000 to October 31, 2001.

- ! One of the partners, an engineer in EPA's Energy Star program was able to estimate the cost savings a boiler operator could expect by tuning up his boiler. This proved to be an important incentive when California fell into an energy crisis and fuel costs soared.

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- ! A gas company was enrolled to offer free tune-ups to boiler operators as both an incentive for participating in the campaign and an opportunity to see for themselves at no risk the cost savings and pollution reductions achievable through regular boiler maintenance.
- ! A pre-campaign survey of boiler operators was completed, providing baseline data for estimating the impacts of the campaign and gathering information about maintenance practices prior to environmental assistance.
- ! Experience was gained in launching and running a campaign involving SBAPs from different states. The California project is generating information about both the opportunities and difficulties of multi-state cooperation that will inform similar efforts in Region IX and elsewhere in the country in the future.

Minnesota Pollution Control Agency:

Orchestrating change: bringing environmental assistance to Minnesota's fiber reinforced plastics industry.

*"Moving an entire industry
towards 100 percent compliance
and low levels of pollution"*

By targeting a single industry sector and leveraging outside resources, the Minnesota Small Business Assistance Program (MN SBAP) is working to achieve lower levels of pollution in Minnesota's entire fiber reinforced plastics (FRP) industry.

A two-year campaign is providing every one of Minnesota's 110-120 fiberglass products manufacturers with "one-stop shopping" assistance enabling them to cut pollution, save money and comply with all environmental regulations. The project's strategy is to orchestrate a campaign using partnerships as channels for assistance that puts industry leaders, not "government regulators" up-front. The goal is to reach 100 percent of businesses in the sector with information, phone assistance, "one stop shopping" environmental compliance packages and where requested, on-site

assistance.

A major achievement was logged in August 2001. The SBAP brought together 170 state and national industry leaders in a one-day event, “Demo Days,” showcasing new technology that saves money and reduces pollution. By using the new technology, businesses cut waste and pollution by as much as one-third and save money in the bargain. The SBAP’s “one-stop shopping” compliance package and multi-tiered assistance services makes environmental compliance hassle free.

The goal of “Demo Days” was to get the attention of busy executives in the FRP industry. To avoid the impression that “Demo Days” was an “environmental compliance” event, the SBAP positioned it as something the industry itself was sponsoring. The SBAP stayed in the background, doing the work and letting its partners occupy the spotlight.

Attractions included displays of new equipment, materials and technical innovations, workshops and demonstrations.

The “environmental hook” was the opportunity to showcase environmentally friendly materials and processes that also reduce production costs. The event provided a great opportunity for the SBAP to deliver its “one-stop shopping” compliance package and to develop relationships with players in the industry.

Partners include the national Composite Fabricators Association, SBDCs in Minnesota and seven surrounding states, equipment vendors, major material suppliers, the Minnesota Technical Assistance Program at the University of Minnesota and the reinforced composites program at Winona State University.

To avoid the impression that “Demo Days” was an “environmental compliance” event, the SBAP positioned it as something the industry itself was sponsoring. The SBAP stayed in the background, doing the work and letting its partners occupy the spotlight.

Results of the campaign to date:

- ! **High industry penetration:.** By June 2001, 100 percent of the FRP businesses in Minnesota were receiving regular information about the FRP campaign through mailings, the newsletter and/or the web site
- ! **High penetration of SBAP assistance.** In 2001, over one-third of the businesses in the target sector obtained direct assistance from the project.
- ! **Industry attention focused on pollution prevention through “Demonstration Days” event.** 54 people representing 19 percent of Minnesota’s FRP fabrication shops attended the event and were exposed to a wide range of information about pollution-reducing, cost-

saving materials, equipment and processes.

- ! **New partners, a bigger network for delivering assistance.** More than 40 new partners were enrolled in SBAP's work and mission, expanding the channels available for getting the word out about environmental compliance and pollution prevention.
- ! **The benefits of direct on-site assistance are being demonstrated.**
 - " Businesses with compliance problems are correcting them.
 - " Businesses with obsolete technology are reducing their pollution by as much as one-third.
 - " Those assisted are making changes that will save them money, and annual savings are being documented.

***Colorado, Department of Public Health and the Environment:
Using partnerships to multiply the demand and capacity for delivering assistance***

*"A powerful network has been formed
to deliver environmental assistance in Colorado."*

A partnership strategy is being used in this project to enable a three-person SBAP staff to serve a state with 10,000 small businesses. The partners will integrate their training programs aimed at small businesses to include environmental information. They will distribute SBAP's materials through their combined networks and will refer affected businesses to the SBAP for compliance information and assistance.

*The result will be greater
efficiency and better customer
service for all the partners in the
network.*

By the end of the current phase of the project in June 2002, the SBAP will provide 10,000 small businesses with training and/or information. It expects to have reached 100 percent of the small business community.

The result will be greater efficiency and better customer service for all the partners in the network. More businesses owners will know about environmental regulations and how to run an environmentally friendly operation. Small business operators everywhere in the state will know where to go for answers to their environmental questions.

Progress and success are being tracked.

Three types of results are being measured: growth in partnership channels available to the SBAP for providing outreach to businesses in Colorado, the number of businesses provided with assistance since the project began and the growth in assistance requests generated from outreach through the network. From roughly 40 partners at the onset of the project, the network had grown to almost 70 by the third quarter of 2001 and was expected to reach 90 by June 2002. The SBAP was providing approximately 195 businesses per quarter with assistance in June 2001, up from 150 a year earlier, and expects to serve almost 300 per quarter by June 2002. Requests for assistance are expected to double between June 2001 and June 2002.

The measurement capacity provided by the Cooperative Agreement Grant provided important information early in the project. In July, 2000 a contractor hired with grant funds carried out a statistically-significant survey of Colorado businesses. The survey report changed the SBAP's game plan. It revealed that the SBAP had more credibility with businesses than it had expected and that SBDCs had less. It indicated that businesses didn't want to get environmental information from SBDCs.

As a result, the SBAP revised its concept of how it would use its partnership network. It decided to integrate its training with its partners' training rather than primarily depending on the partners to deliver the information. It asked the contractor to develop two Powerpoint presentations, one for the SBAP to use directly with customers and another which the SBAP can present to the partners so they will know about the SBAP services and which kinds of businesses to refer to the SBAP for environmental and compliance assistance.

The survey report changed the SBAP's game plan...the SBAP revised its concept of how it would use its partnership network. It decided to integrate its training with its partners' training rather than primarily depending on the partners to deliver the information.

Type III. Develop, test, and make available nation-wide, useful tools for delivering assistance.

Wyoming, Department of Environmental Quality: Building An Outreach System To Find & Engage Our Customers.

*“Getting The Word Out In Wyoming,
A Small Town With Very Long Streets”*

Wyoming’s sparse population (500,000 people in the state), great distances (a small town with very long streets) and a tradition of “neighborly privacy” (offer help when needed, but give neighbors the space they need) presented a serious communication challenge for compliance assistance. The Small Business Assistance Program is meeting the communication challenge by building an “outreach system.” As the project evolved the “outreach system” was seen as having three elements:

- ! *A comprehensive data base* of all small businesses in the state that can be sorted by SIC code, matched to environmental standards and threats, and efficiently used to develop reliable business mailing lists.
- ! *A one-stop-source* of compliance assistance information, *the Wyoming Small Business Assistance Guide*, that will be used by a consortium of partners to help reach small businesses.
- ! *An on-going series of targeted outreach initiatives*, using the system to support communication with specific businesses on high priority topics.

At the heart of the outreach system is the Compliance Assistance Outreach Data Base. Developing and maintaining the data base of small businesses in the state is an important on-going role. The team began developing the outreach data base in January, 2000 and had an operational version by April. By October, 2001 there were 7,000 businesses in the data base. It is estimated that there are in excess of 9,000 businesses that could be included. Each year the SBAP will narrow this gap. The hidden businesses are being added as compliance assistance efforts uncover them. The data base is a capacity that grows and improves with use.

By October, 2001 there were 7,000 businesses in the data base. It is estimated that there are in excess of 9,000 businesses that could be included.

A second element of the outreach system, The Wyoming Small Business Assistance Guide, is based on the Minnesota Small Business Assistance Guide. The goal is to have, in one document, the full range of compliance assistance resources available in the state. It covers information for all standards. In the past the program had as many as 30 different brochures and pamphlets covering the full spectrum of environmental issues. Now that data is all in one document which is available both in hard copy and on the Internet. It's a one stop source.

The Guide is a vehicle for forming partnerships. Partnerships developed the content, partners distribute it, and partners give small businesses access to it. By October, 2001 the number of partners had grown to 18. The SBAP intends to keep adding partners.

The goal is to have, in one document, the full range of compliance assistance resources available in the state... In the past the program had as many as 30 different brochures and pamphlets...

The SBAP began using the outreach system immediately to generate mailing lists for business sector outreach and information campaigns. The growth and utility of the outreach system can be measured by the increasing number of targeted outreach campaigns undertaken. There will be more campaigns each year, from three in 1999 to 12 planned for 2002, and more businesses reached. Because of the system, outreach can be targeted, planned and made more cost effective.

The Compliance Assistance Outreach System is a tool for integrating and leveraging all the activities of the SBAP. It is an investment in infrastructure that pays for itself many times over.

South Carolina, Department of Health and Environmental Control:
Assessing and strengthening outreach for hard to reach businesses.

"Learning to reach a large number of phantom, high environmental risk small businesses"

The Office of Environmental Quality Control (EQC) in South Carolina's Department of Health and Environmental Control, targeted one sector that represented a significant environmental threat: small auto repair shops, paint and body shops, and salvage yards. There is a large number of them, possibly on the order of 5,000 to 10,000. Many are phantom operations not registered with the

Many are phantom operations not registered with the state...They usually come to the attention of DHEC only when there is a complaint from a neighbor.

state as businesses, thus presenting a significant challenge in being able to make contact with them. They usually come to the attention of DHEC only when there is a complaint from a neighbor (i.e.

odors or runoff) or a serious spill or leak leading to fish kills, soil or groundwater contamination. The regulatory agencies were asking for help with this sector. In the past, outreach efforts by the regulatory program areas had not been successful.

For this sector, the team decided on a special, intensive, statewide outreach effort organized around a comprehensive workshop model. The idea was to deliver the workshop many times in a few months in accessible geographical locations all around the state. This intense, localized effort was expected to get the attention of the customers and make it easy for them to attend. "Bring it close to home."

The team scheduled a series of 13 workshops in different parts of the state. A workshop was a 3 to 3½ hour program covering the full range of regulatory requirements and the compliance assistance services available. The workshops were carried out over a three-month period in the spring of 2000.

The most basic measure of success for this effort is workshop attendance. The workshops were marketed in three ways: by a mailing to 3,600 addresses, by District Office referral of known businesses, and by distribution of brochures by suppliers and trade associations. The marketing effort may have touched half of the total number of businesses in the sector. There was an expectation that about 700 would show up and this would result in 50 assistance site visits.

Attendance was low. One hundred thirty-seven individuals registered for the 13 workshops, with one hundred thirteen actually attending. The staff impression was that most of the people who attended were not "high risk" or out of compliance. They were already doing the right thing. None needed a permit. Those that need assistance were not showing up. The workshops themselves were a major undertaking and expense. Six to eight staff were involved on site in presenting each workshop. There was heavy staff travel across the state.

The team concluded that this is not a cost-effective way to reach the 5,000-10,000 small businesses in this sector. This type of work calls for a phased learning approach. Bring an evaluator on up front and use information to help design the approach. Do not do as many workshops in one continuous flow. Break them up and do them in stages. Incrementally test different marketing approaches to increase participation. An evaluation effort for the project is underway and may identify additional outreach methods to test.

***Kansas, State University Pollution Prevention Institute:
Moving the Printing Industry Toward Full-Compliance, Pollution-Free Status***

The Kansas SBAP initially was funded to carry out a test of a "Type III" strategy, using retired engineers to carry out on-site, one-on-one assistance to small businesses in three sectors: dry cleaners, automotive repair/auto body and metal finishing. That project proved unsuccessful. The SBAP was unable to generate industry demand for this service, and the number of requests for this type of assistance fell far short of expectations. The project was dropped without having consumed

significant resources from Cooperative Agreement Grant funds.

The SBAP went back to the drawing board and redesigned its demonstration project. In early 2001 it launched a “Type I” assistance campaign aimed at increasing compliance and reducing pollution in Colorado's printing industry. By the end of its first phase (in June 2002), the project is expected to communicate all environmental compliance requirements to 100 percent of the 900 member Kansas printing industry.

The methods and partnerships developed during the first phase will ultimately be used to expand the campaign to enlist 100 percent of the industry in full compliance, pollution prevention programs to minimize all environmental impacts from printers.

...The Cooperative Agreement Grant provided the resources the Kansas SBAP needed to deploy several key assets it already possessed in launching a high-impact campaign

Assets of the Kansas PPI, and lessons from the other demonstration projects, are being leveraged. The Kansas project provided an opportunity to test the transferability of lessons developed through the ten Cooperative Agreement demonstration projects as a whole.

Starting at a time when the other demonstrations were already well into testing their strategies, the Kansas SBAP was able to “come up the learning curve” quickly, and the Cooperative Agreement Grant provided the resources the Kansas SBAP needed to deploy several key assets it already possessed in launching a high-impact campaign:

- ! **Reputation.** PPI has worked with the printing industry on several projects in the past and has credibility, expertise and a reputation that supports industry acceptance of the campaign.
- ! **Access to benchmarking models and people.** The SBAP has an existing printer's assistance program underway, providing access to high-performing model companies and relationships with trade professionals.
- ! **Communication channels.** Two publications, Kansas Airlines and P2Xchange for Printers, provide 100 percent coverage of the printing industry. The Kansas Department of Health and Environment (KDHE) has a "P2 Awards" program providing a ready channel for promoting businesses' success when opportunities arise.
- ! **Partnerships with trade groups.** PPI has partnered in the past with the Printing Industry Association, the national Screenprinting and Graphic Imaging Association, the Graphic Arts Technical Foundation, local ink manufacturers and other suppliers.

- ! Relationships with other small business assistance providers.** These include the small business development centers (SBDCs), Kansas Mid America Manufacturing Technology Center (MAMTC), and the SBAs which deal with companies in various stages of startup and development that need to consider/include environmental compliance and P2.

Montana, Department of Environmental Quality:

Mapping the Needs of Small Businesses for Environmental Assistance in Montana

“Assessing needs and marketing to businesses in rural communities”

After a late start and a change in personnel, the Montana launched in 2001 a “market” analysis as its Cooperative Agreement Grant demonstration project. The analysis is expected to dramatically improve the SBAP’s capacity to deliver environmental assistance throughout the state. The SBAP will focus especially on assessing businesses’ needs in small communities in Montana’s “Hi-line” (Northern) region and in Eastern Montana, both of which have historically been difficult to serve because of their distance from urban centers in Central and Western Montana.

A second phase of the project will test different methods for providing outreach to businesses in these hard-to-serve areas. A key goal is to test a “partnership” strategy that taps into business assistance networks already in place to expand the reach and impact of the SBeAP into rural areas of the state.

The initial phase of the project was completed in June 2001. A needs survey and focus group study was conducted by a contractor. One of the outcomes of the study was a set of “Success Factors” that will be tested in Phase Two.

Eight Success Factors For Delivering Assistance in Montana:

1. Keep information simple, concise, and practical.
2. Be industry-specific.
3. Communicate with Montana businesses primarily through direct mail.
4. Form a partnership with Montana businesses.
5. Respect businesspeople’s time constraints.
6. Schedule during “slow” seasons.
7. Keep personal visits non-intimidating.
8. Build relationships.

Conclusion

The ten demonstration projects funded under the EPA Small Business Assistance Cooperative Agreement Program in 1999 are improving state environmental assistance to small businesses with an emphasis on measuring results and benefits. As of October 2001 they have already demonstrated powerful strategies and capacities that not only the SBAP/SBO programs funded under the grants program are able to deploy but that the national SBAP network as a whole can offer to every state environmental protection agency in the nation.

The “Type I” demonstration programs illustrate that the public sector can invest in low cost campaigns that, over a two to four year period, can systematically move all small businesses in an industry sector to compliance with environmental regulation. They show that the public sector can invest in low cost campaigns that can systematically move most small businesses in an industry sector from using polluting equipment to using “clean technologies.

The “Type II” projects show that the public sector can invest in compliance assistance programs that enroll public and private sector organizations in a statewide, highly leveraged network of partners to reach and assist most small businesses covered by environmental regulation.

The “Type III” projects demonstrate that state governments have access to a national “knowledge management network” that dramatically reduces the state’s development, start up, and operating costs for any compliance goal it sets as a target.

The experience of the ten demonstrations provides a framework for making a powerful case for increased public sector investment in SBAP programs. #

Appendix:

The Ten Demonstration Project Case Studies

Type I. Manage an industry sector for full compliance or pollution free status. Page

- ! **Maine:** *Focused, sustained promotion to move the auto body and repair sectors to toxic free practice* ME-1
- ! **New York:** *Campaign management for full compliance on gas station vapor recovery controls in a metropolitan area* NY-1

Type II. Use partnerships to multiply the demand and capacity for delivering assistance.

- ! **California:** *Demonstrating a four-state, public/private partnership to reduce emissions by industrial boilers* CA-1
- ! **Colorado:** *Using partnerships to multiply the demand and capacity for delivering assistance* CO-1
- ! **Minnesota:** *Orchestrating change: bringing environmental assistance to Minnesota's fiber reinforced plastics industry* MN-1
- ! **New Jersey:** *Growing the capacity to reach all small businesses through partner organizations* NY-1

Type III. Develop And Transfer Tools for Delivering Assistance

- ! **Kansas:** *Moving the Printing Industry Toward Full-Compliance, Pollution-Free Status* KA-1
- ! **Montana:** *Mapping the Needs of Small Businesses for Environmental Assistance in Montana* MT-1
- ! **South Carolina:** *Assessing and strengthening outreach for hard to reach businesses* SC-1
- ! **Wyoming:** *Building An Outreach System To Find & Engage Our Customers* WY-1

The Maine SBAP

**Focused, Sustained Promotion To Move The Auto Body
and Auto Repair Sectors To Pollution Free Practice**

Going door to door with clean solutions that save money and avoid regulation

The mission is to move beyond compliance to elimination pollution.

Brian Kavanah, manager of Small Business Assistance & Pollution Prevention Programs in Maine, holds that, whenever possible, the goals of the compliance assistance programs should go beyond compliance to the elimination of pollution. "Compliance still means emissions and hazardous waste." He wants to get businesses to switch to "best environmental practices," to go pollution free.

The 1999 Cooperative Agreements To Strengthen State Programs presented an opportunity to create an assistance strategy that would move small business from technologies that produce hazardous waste to those that are proven pollution free. The amount of hazardous waste a business generates or accumulates on site determines the amount of management it has to provide. By reducing or eliminating hazardous waste, a firm saves time, energy and money. In many cases the equipment pays for itself in several years.

A Pollution Prevention Case Study: Dealership/Auto Service Shop Uses Bioremediating Aqueous Parts Cleaner To Replace Solvent Use

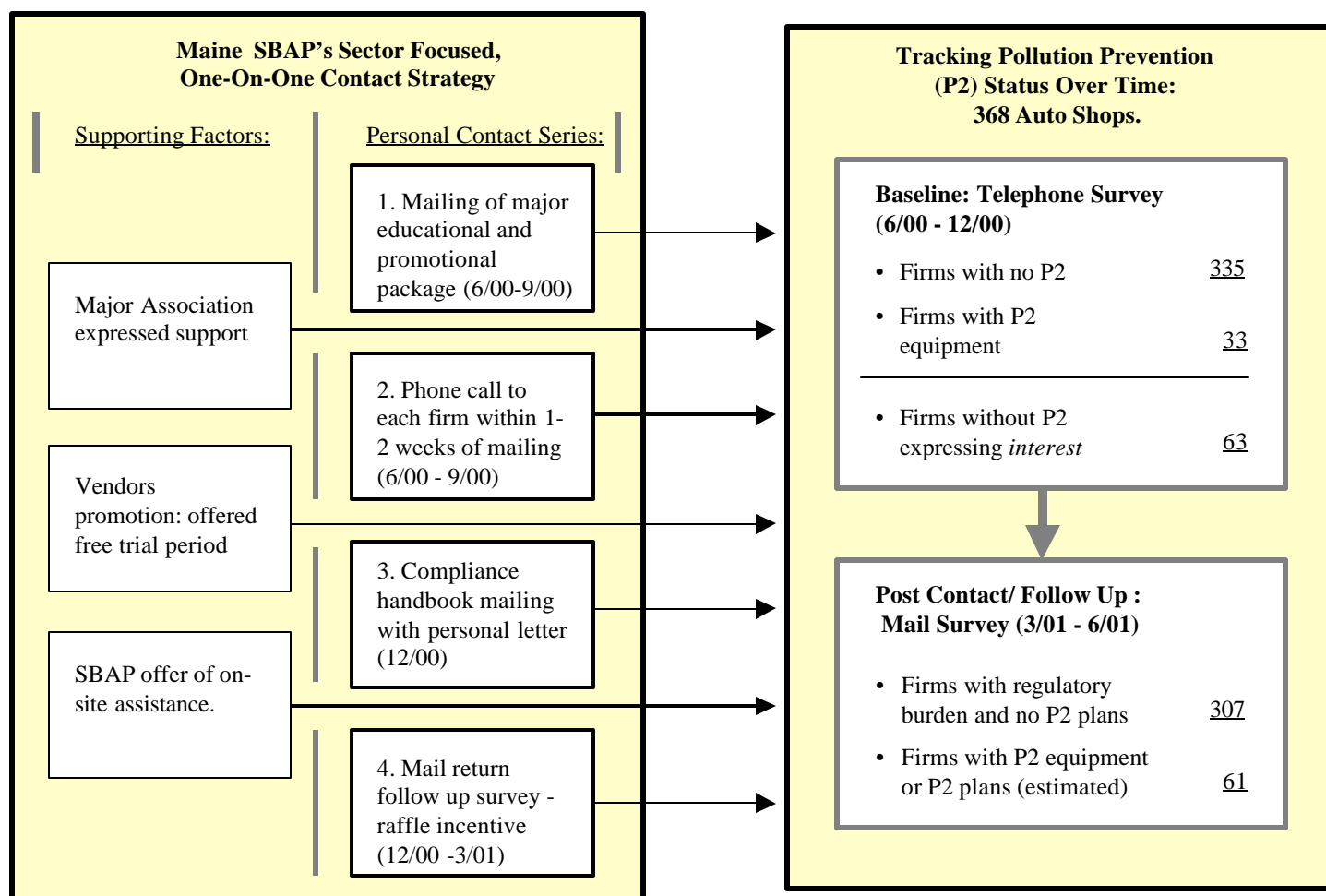
SF is a winner! The shop is using equipment and practices that will help prevent pollution and improve its business. Among its good business practices, the shop is performing work using aqueous brake washers, refillable spray bottles, and aqueous parts cleaners. The parts cleaning process includes an aqueous parts cleaner (by Chemfree) that uses live microbes in the cleaning liquid to maintain a clean working solution. This bioremediating type parts cleaner has replaced the shop's more typical solvent type units. SF's service manager and employees prefer the parts cleaning process provided to them by their Chemfree units. They acquired their second aqueous parts cleaner by winning the raffle where the first prize was the sink top parts cleaner and its special "truck-grade" cleaning solution. Winners come out on top!

"They work great ... much more economical ... the only way to go!" (Service Manager)

Brian Kavanah's experience was that the most meaningful environmental improvements occur as a result of one-on-one contact with business owners. Therefore, he proposed a new approach to compliance assistance: personalized, one-on-one service to change practice. The Small Business Assistance Program would organize a project that provides "focused, one-on-one assistance" to one particular business sector. The goal would be the adoption of "best environmental practice" by that sector. The project would be managed for results using a unique, phased, knowledge building strategy. Cooperative Agreement funding of \$61,000 was requested by Maine's Small Business Assistance Program to cover personnel costs. Roy Krout was brought in to run the project.

Figure 1 illustrates the management strategy of the project: a phased series of contacts with businesses, measurement of progress on the goal, and an increasing knowledge base on the industry sector and on the needs and interests of the customer.

Figure 1. Maine: Managing An Industry Sector To Pollution Free Status



A high impact opportunity to reduce pollution and the use of hazardous materials.

Auto body/auto repair is an industry sector where each provider generates small amounts of waste or pollution but the combined amount is large and the local impact is significant. The risk of mismanagement is also high with recent incidents of ground water contamination. With the exception of a few auto dealerships, these are small firms with only a few employees. The project targeted a three county area with 508 auto body and auto repair businesses.

The pollution prevention intervention was to move the shops from solvent based parts washers to more solvent-free aqueous parts washers. Solvent based washers generate a hazardous waste that is strictly regulated and requires management, record keeping and reporting. These washers also emit volatile organic compounds (VOC's) into the air and are subject to regulations as well as requiring registration and management. The three county area shops account for 2.9 tons of VOC solvent emissions per summer weekday - 40% of the statewide total - and generate an estimated 171,000 pounds per year of hazardous waste.

The "best environmental practice" technologies available make this a rewarding sector to target for assistance. There are a number of cost-effective, proven pollution prevention technologies for this sector: low VOC coatings, high transfer efficiency equipment, solvent recycling units, automated paint mixing equipment, automated spray gun washers, etc. The project would promote and recognize them all, with special attention to the aqueous parts washers.

A Pollution Prevention Case Study: Auto Repair Business Saves Money And Cares For The Environment!

Stephen K. has told us about the practices his auto repair shop has put in place to improve how it does business.

Aqueous brake washing, antifreeze recycling, refillable spray bottles, recycling of solid waste, use of waste oil for heating, updating with high efficiency fluorescent lighting - are all recognized by the firm as part of its good business practices.

Stephen says his work to implement these practices, along with assistance from our Small Business Assistance Program, is providing cost savings estimated at \$6,000 per year. *"This is great for a small business!"* he says.

In addition, Stephen has recently replaced the solvent type parts cleaner with an aqueous based parts cleaner unit. The aqueous unit (Model ZIP-2216 by Cuda) has virtually eliminated VOC from the parts cleaning process! The aqueous parts cleaner reduces labor costs by technicians, produces a much better result, saves his business money ... Stephen is pleased with his decision to use this process.

"It does a much better job ... the quality of the cleaning is better ... our technicians like it." (Stephen K. describing his new aqueous parts cleaner.)

A series of reinforcing contacts with each business is used to promote pollution free practice.

The project envisioned a series of reinforcing contacts with each business: eye catching promotional mailings, personal “sales” calls, workbook compliance mailings, and mail follow up surveys.

The theme of the communication series was, “It’s smart to switch from polluting equipment to ‘clean technologies.’” It began with a promotional mailing consisting of a personal, engaging letter and comprehensive information on the clean technology and the benefits of using it (see insert at right). A 508 name mailing list (94 auto body and 414 auto repair) was secured from a commercial vendor.

Marketing change to small business operators: send clear, compelling messages.

Excerpt from SBAP letter accompanying the instructional video on “best environmental practices:”

Dear _____

\$2,480 to \$16,800! That’s how much money you could save annually, depending on the size of your shop, by using the methods demonstrated in the enclosed video. You might think that the DEP is an unlikely source for information that will save you money. Our primary interest is in helping businesses reduce waste and pollution. The methods in the enclosed video do that too. They also could reduce your regulatory burden and improve the working environment for you and your employees. However, it is a fact that reducing waste and pollution also saves money... I’ll be contacting you in a week to get your thoughts on the video and answer any questions you may have. ...

*Sincerely, Roy Krout
Small Business Assistance Program*

Promotional mailings: The promotional mailings were done in batches of 30 to permit phone contact within a week of the mailing. The staff contacted each facility by phone and engaged the owner or manager in a conversation to reinforce the “switching” message. After the phone calls it was concluded that the 508 addresses on the mailing list contained 365 facilities currently in business.

Compliance assistance mailings: The promotional phase was followed by a compliance assistance mailing. Compliance workbooks, one for auto body and one for auto repair, were sent with a personal letter linking this material back to earlier contacts. Offers were made again for personal assistance.

Building high quality, high content promotional packages by drawing on the knowledge assets of the national network

An important part of the outreach approach was the educational packages sent out in the mailings. To execute on its communication strategy, the Maine SBAP was able to build strong promotional and education packages from existing state and national partners. The national network enabled them to do it quickly, efficiently and inexpensively.

The mailings included:

- Detailed information on proven technologies
- Vendors’ lists for P2 equipment
- Promotional materials (e.g., drum top absorbent pad, drum stickers, ...)
- Case studies of firms using and benefitting
- Business specific compliance guides and handbooks

The educational packages were put together from several sources: federal, state and some “home grown” materials.

The mailing to auto repair businesses used a 30 minute video developed by EPA Region IX that contained information on the full range of “best environmental practices” for auto repair shops. It was copied for under \$3 per tape. Case studies were obtained from EPA Region IX and Colorado. Two handbooks were adapted: “Handbook for Hazardous Waste Generators” (auto body) and “Motor Vehicle Repair Facilities: Model Facility

Follow up survey: The final mailing was the critical measurement tool to gauge project success. It was a return tri-fold mail survey asking the business to report on their use of “best environmental practices” and any actions taken toward acquiring less polluting equipment and benefits realized. To encourage submission of the survey, a raffle was announced in the mailing. The prizes were an aqueous parts cleaner for the winning auto repair business and an automatic spray gun cleaner for the auto body cleaner. The winners were drawn by the Compliance Advisory Panel. (March, 2001)

Case Studies: Another five businesses responding to the survey had case studies done. The telephone and mail surveys were used to select candidates for case studies.

The final mailing was the critical measurement tool to gauge project success...To encourage submission of the survey, a raffle was announced in the mailing.

Associations: Three major associations, the Automotive Service Professionals, Collision Repair Specialists of Maine, and Maine Auto Dealers Association were contacted to promote this initiative. Also, the manufacturers were informed and encouraged to promote their products as part of the initiative. As a result of one manufacturer’s free trial offer, other manufacturers of aqueous parts cleaners were also willing to provide similar free 30-day trial period offers.

Throughout the process, the project offered on-site assistance, creating the possibility of face to face meetings. This level of contact did not occur. There were no requests for this type of help. Nor did the mailings generate phone requests for assistance.

The focused, sustained promotion generates interest among small businesses and moves the sector toward “best practice.”

The goal of the program was to reduce the amount of VOC emissions by 20% and the amount of hazardous waste generation by 20% between 1/00 and 6/01. These results would help Maine comply with standards for ozone. The goal would be accomplished by getting 20% of the firms to switch from solvent cleaners to aqueous parts cleaners. (Other pollution prevention equipment would also be promoted.) The project was seeking to change the practices of about 70 of the 368 active firms.

By June 2001, the project found **9%** (26 businesses) of the 297 active auto repair shops already using the more desirable pollution prevention equipment such as the aqueous parts cleaners (see Table 1). By using “focused, promotional” marketing, project staff hoped to possibly double this figure over several months to perhaps **24%** (71 businesses) of this sector. This number represents the total of both those businesses now using, in addition to those most “interested” in using, the aqueous parts cleaners.

The early telephone survey found strong interest in acquiring the clean equipment among 15% (45 businesses) of the non-users (Table 1). Some were surprised by the information. It was news to them.

**Table 1. Result Of The Baseline Telephone Surveys
Of 368 Active Auto Businesses.
(6/00 – 12/00)**

Sector	Operating Businesses	“Best Practice”	“Best Practice” Usage (As of 1/01)		Interest in “Best Practice” Among Non-Users (As of 1/01)		
			Using	Not Using	Interested	Possibly	No Interest
Auto Body	71	HVLP Spray Gun	36	35	4	26	5
	71	Gun Washers	14	57	8	37	12
	71	Solvent Recycler	8	63	12	40	11
Auto Repair	297	Aqueous Parts Cleaners	26	270	45	95	130

The follow-up mail survey in 3/01 was responded to by 21 auto repair and eight auto body businesses (29 total questionnaires received). From the 21 auto repair businesses, six were using the aqueous parts cleaners and seven were planning to use this equipment. Similarly, from the eight auto body surveys, six businesses were using the automated spray gun washers as part of their work practices. The remaining two businesses were planning to use this equipment. *Every one of the 29 business responses included the use or planned use of at least one "best environmental practice!"*

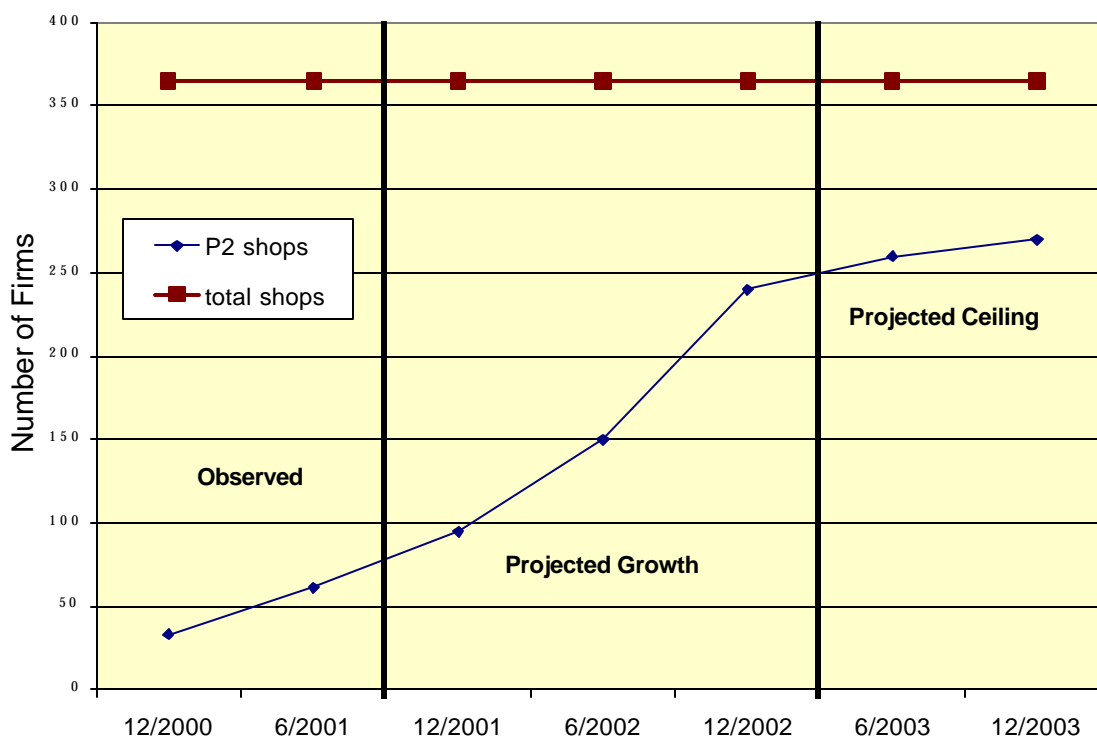
The initiative suggests potential for growth but with limits.

The case studies show that pollution prevention solutions work for small business owners: less pollution, lower costs, more profits, cleaner working conditions, high satisfaction. The economics alone make this a smart, attractive move.

The benefits are there. The challenge is to convince owners to act. The project's experience indicated that a significant part of the auto repair and auto body business sectors can be moved to less polluting and waste generating status, but it will take time and there may be a limit to how many of the shops will convert.

Over a twelve month period ending March, 2001, this one initiative was able to generate interest and movement. Estimates for long term performance suggest it would likely have two stages: strong growth over several years to perhaps 70% of the businesses changing, and then a ceiling where few more conversions would occur (see Figure 2 below).

**Figure 2. Moving An Industry Sector To "Best Environmental Practice,"
Maine's Auto Body & Auto Repair Initiative**



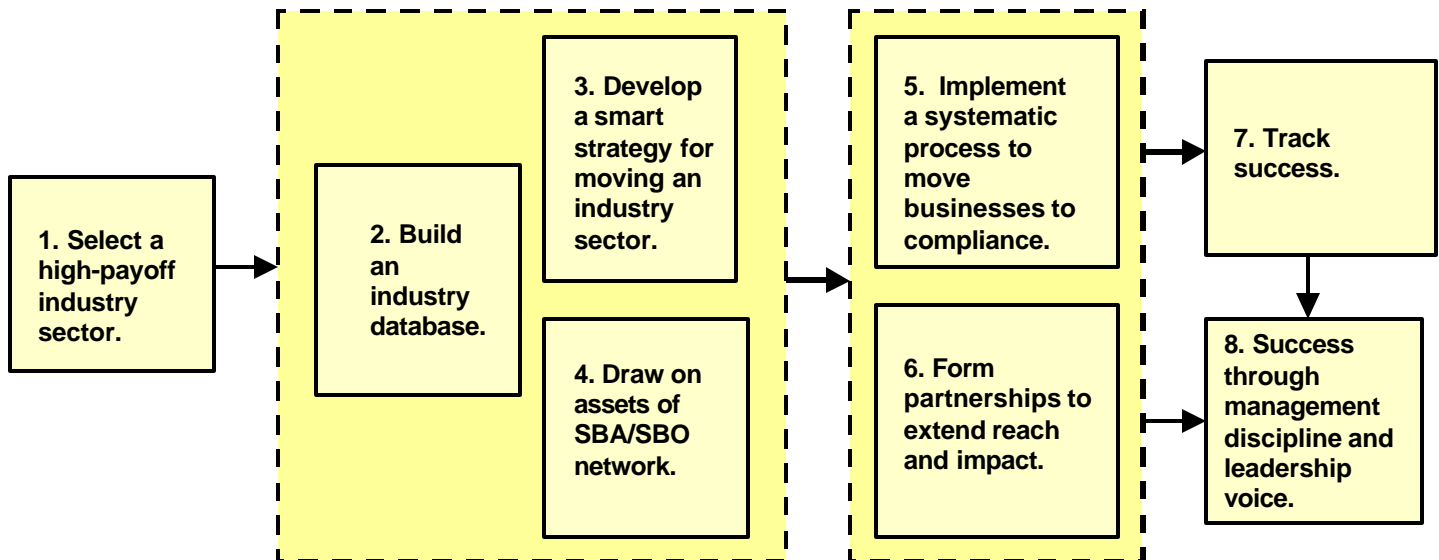
The strong growth phase would require continuation of the focused, one-on-one contacts and some innovation in promotion. “It may make sense, for example, to arrange for a number of receptive shops to receive desirable equipment up front and then measure their savings and status over time,” says Roy Krout. It may take several contacts over a long period of time to move people. “The project now has peer advocates, as written up in the case studies, who can also be deployed. Shop owners and managers can convince other shop owners and managers...More aggressive promotion by the manufacturers and distributors such as NAPA can be organized.”

The ceiling on conversion, if there is one, would result from the number of small to very small businesses in this industry. A striking finding from the phone calls is how difficult it is to get the attention of a busy, small business owner. “A large number of shops are small with few employees,” says Krout. The owner does most everything: fix cars, pump gas, manage the books. A few did not want to talk at all. A large group did want to talk but could not because customers were there. Some shop owners may never have the time to attend to this conversion of their operations.” The number of businesses that are “too small and too busy” limits campaign success. The small, busy operator may need a special outreach approach in the future.

The “best environmental practices” available make this a rewarding sector to target for assistance. By reducing or eliminating waste, a business saves time, energy and money. Promoting the growth of these automotive businesses toward and into these practices brings clear rewards to small businesses and the people in their communities in Maine.

Type I SBAP Project: *“Manage a campaign in an industry sector for achieving full compliance, low pollution status”*

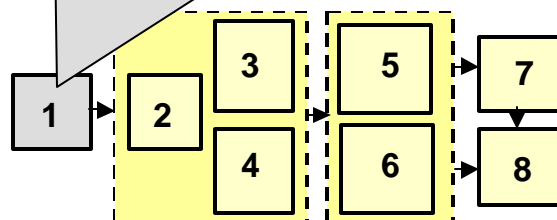
*Type I projects are implementing strategies for moving an entire industry to compliance.
Their approach can be grouped into eight steps.*



Focus → Form → Perform → Prevail

1. Select a High-Payoff Industry Sector.
Auto body and auto repair sectors switch to pollution free equipment.

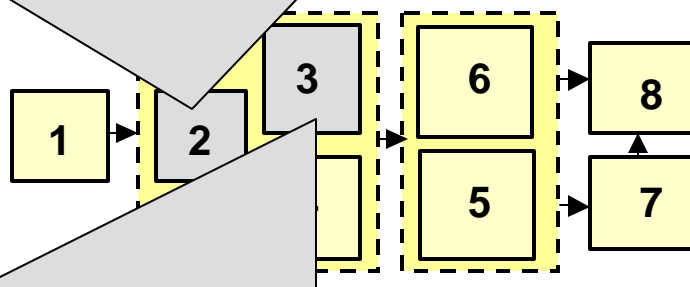
- **Significant Opportunity.** Majority of businesses use solvent based parts cleansers that generate VOC emissions and hazardous waste that must be managed. There are “best practice” alternatives that are attractive: more cost effective and non-polluting.
- **Large and concentrated number of businesses.** An estimated 508 small businesses in three counties.
- **Clear objective:** Move 20% of those using solvent cleaners to cost-effective non solvent cleaners.
- **High environmental impact:** Reduce by 20% the 2.9 tons of VOC emissions per summer week day and by 20% the 171,000 pounds per year of hazardous waste generated.
- **Measurable results:** Track shift to “best practice” equipment.



2. Build an Industry Database.

Use personal contact to verify and update database.

- **Mailing list.** Purchased a commercial mailing list of businesses sorted by county. Began with mailing list of 508 possible auto body/auto repair sites in three counties.
- **Update list.** Used mailing and phone calls to verify and update list as campaign moved forward.
- **Contact database.** Database software used to record information from contacts with each business.



3. Develop a Smart Strategy for Moving the Industry Sector.

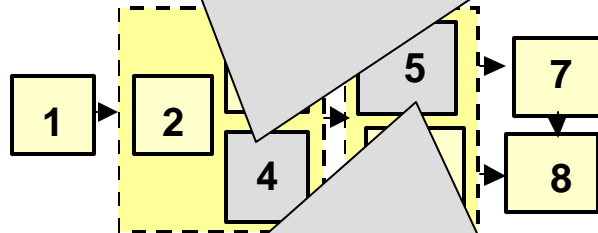
Reach, educate, and assist one on one.

- **Personal contact to make change happen.** All auto body and auto repair shops contacted several times in an on-going campaign.
- **Comprehensive plan.** Establish a plan for the total process from intervention to evaluation: (1) first mailing, (2) telephone follow up, (3) second mailing, (4) mail survey, (5) case studies.
- **Education and promotion.** Educational material mailed in significant package; follow up personal phone call made to verify receipt, encourage action and offer on-site assistance.
- **Phased implementation.** Mailing scheduled in small batches to enable immediate telephone follow up and adjustments if necessary.
- **Inform on regulatory compliance.** Second, separate mailing describes regulatory requirements, a burden that can be avoided.
- **Offer on-site assistance.** Be ready to work with individual firms.
- **Explore amplifiers.** Make it easy to say “Yes”: explore vendor marketing, easy low cost loans, association support role.
- **Track impact.** Monitor interest and action taken. Monitor the use of best P2 technology by the sector.

4. Draw on Assets of SBA/SBO National Network.

Organize, deploy the vast amount of “best environmental practice” information and materials readily available.

- Educational packages obtained from federal, state and “home grown” sources.
- Auto repair video (30 minutes) from Region EPA IX copied for distribution.
- Promotional materials: barrel mats, waste oil stickers ...
- Case studies and educational materials borrowed from other state programs.



5. Implement a Systematic Process.

Execute a campaign involving personal contact with businesses.

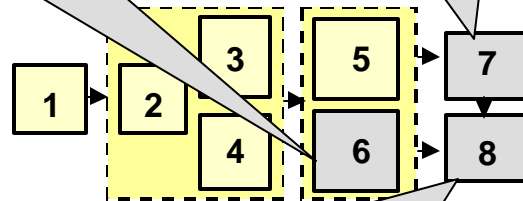
- First half of 2000: Secured mailing lists and organize educational information.
- Second half of 2000: Phased implementation of educational mailing and follow up phone calls.
- End of 2000: Mailed regulatory compliance package.
- First half of 2001: Mail survey on changes in practice.
- Mid 2001: Evaluation and case studies.

6. Form Partnerships to Extend Reach and Impact.
Contact parties with a vested interest in success.

- Vendors were contacted and made aware of the campaign. Promotional activity by the vendors was observed.
- Associations were contacted and the largest expressed support.

7. Track Success.
Real time monitoring of results.

- **Follow up telephone calls:** Gauged current practice and interest in change.
- **Mail survey:** Measured interest and changes.
- **Case studies:** Described dynamics that lead to change and the benefits encountered.



8. Success Through Management Discipline and Leadership Voice.
Have a plan and execute aggressively and thoroughly.

- The project was implemented as planned.
- No major changes or adjustments were required.
- Telephone calls indicated a large group of businesses too busy to respond but a significant group expressing interest.
- All planned activities completed on schedule.

The New York State SBAP Project

**Managing For Full Compliance On Gas Station
Vapor Recovery Controls In A Metropolitan Area**

Orchestrating The Forces That Will Produce 100% Compliance

Selecting a high payoff sector where campaign management makes sense

The New York State Small Business Assistance Program is managing a “campaign” that is systematically moving New York City Metropolitan Area gas stations to full compliance on gas pump vapor control testing requirements. The program is administered through the New York State Environmental Facilities Corporation (EFC) and is managed by Marian Mudar, Environmental Program Manager.

New York State’s SBAP wanted to demonstrate that compliance assistance programs could be managed for impacts that were real and could be measured. It wanted to take a discrete area and go after specific results. The SBAP was looking for a small business sector where aggressive compliance assistance could yield dramatic increases in compliance and have major positive environmental impact.

*In 1999 . . . the compliance rate
was essentially zero.*

Baseline compliance would be established and results monitored to show impact. The sector targeted was the 3,500 gas service stations in the New York Metro Area required to have gas pumps with proper functioning vapor recovery systems.

New York State requires that gasoline dispensing sites and transportation vehicles have gasoline vapor recovery systems tested for compliance every five years. The vapor recovery equipment protects the public from harmful gasoline vapors when buying gas. These vapors contribute to air pollution and increase people’s exposure to the toxic chemicals contained in gasoline. Vapor recovery equipment can capture at least 90%, by weight, of the vapor. It must be working properly to abate the large amount of emissions from gasoline refueling. The equipment has a high failure rate so testing and maintenance of the equipment is important. Testing involves checking for leaks and other system malfunctions that could greatly increase the amount of gasoline vapors emitted in pumping gas or filling underground storage tanks.

The regulatory requirements were set in the 80s. In 1999, when Marian Mudar was applying to EPA’s “Cooperative Agreements To Strengthen State Programs,” the compliance rate was essentially zero.

There had been little outreach to the gas stations to make them aware of requirements. There has been little enforcement work in this area since the nineties. Only within the past year has the regulatory agency begun focusing on this sector for enforcement. Many of the service stations had installed the necessary vapor recovery devices but had not been conducting the certified leak detection tests.

The program has had seven major accomplishments over a 21 month period (see insert at right). An ambitious goal has been set: *all stations have certified and maintained vapor control equipment in place*. A “critical mass” has been put in place to achieve the goal. An industry sector has been organized for full compliance. Results have been produced.

Progress and success are being tracked and reported.

The spirit of a “campaign” is to set an extraordinary goal and then relentlessly do whatever it takes to achieve it. That spirit puts a premium on management information. The management team has to be able to track the results it is after and the implementation of the strategy.

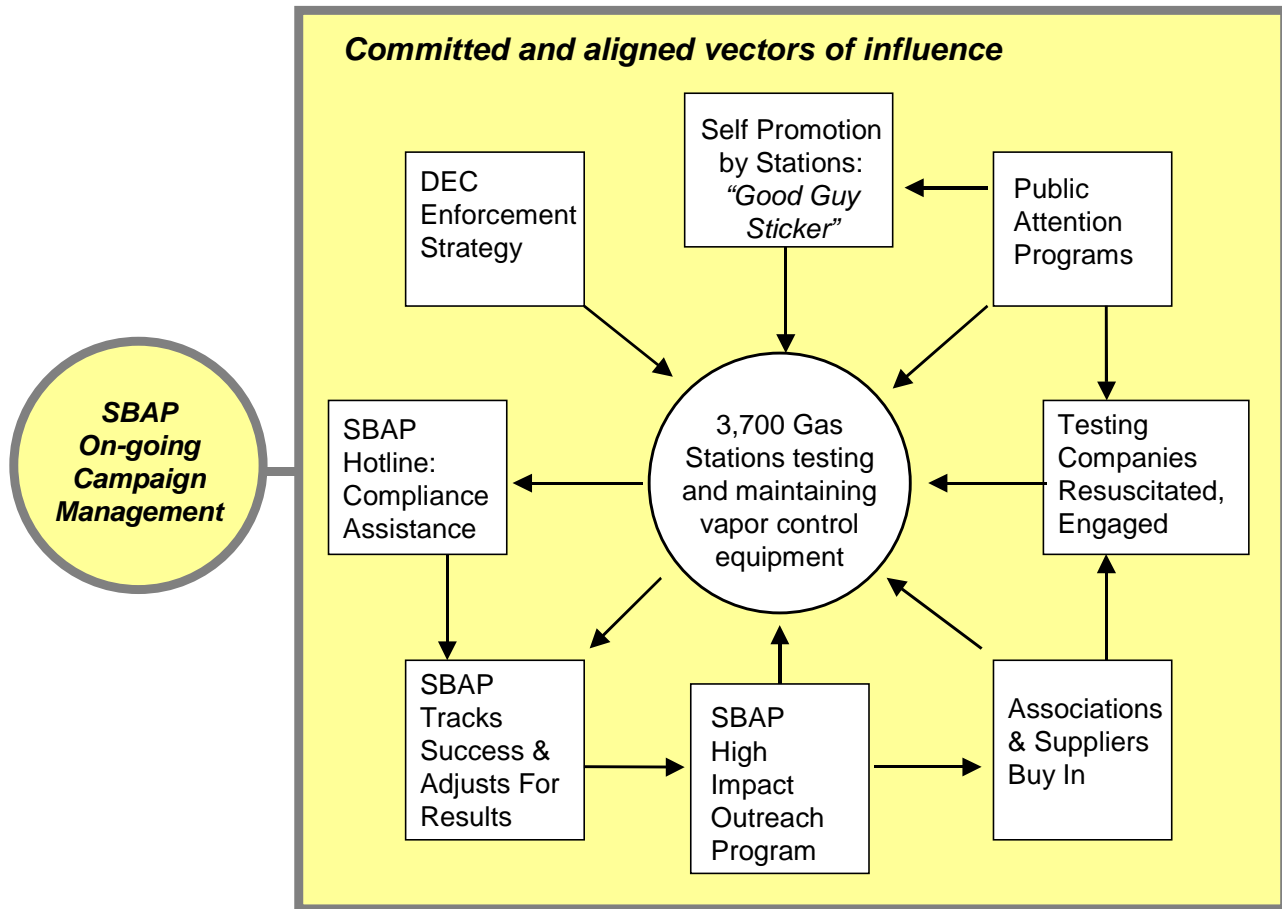
The measurement discipline adopted by the New York SBAP team can be seen in four measures of success. The first two track development of the sector’s compliance infrastructure: the map of the system to be put in place and the number of testing companies engaged. The last two track the small business responses: assistance calls in response to outreach and, most important, the number of stations coming into compliance.

**Campaign Accomplishments:
October 1999-June 2001**

- ! **Outreach to regulated industry.** A high impact outreach program was launched to have gas stations understand requirements and benefits, and to play in a public promotion game.
- ! **Showcasing cooperative businesses.** A gas station promotion campaign, the Petey Platypus “Good Guy sticker,” was created that enabled stations to showcase their compliance to the public.
- ! **Engaging the public.** A public awareness campaign was created, through mass media and schools, that got the public invested in gas station compliance.
- ! **Tracking results.** Built the management information system to track, and make adjustments to assure, the movement of all gas stations to compliance over time.
- ! **Building the infrastructure.** Resuscitated a vanished equipment testing industry and created a viable market for its service.
- ! **Enrolling partners.** Partnered with the enforcement agency and Small Business Environmental Ombudsman to align independent initiatives in a continual push for higher levels of compliance.
- ! **Building a network.** Aligned a critical mass of stakeholders in a set of relationships that will move the sector to full compliance over a several year period.

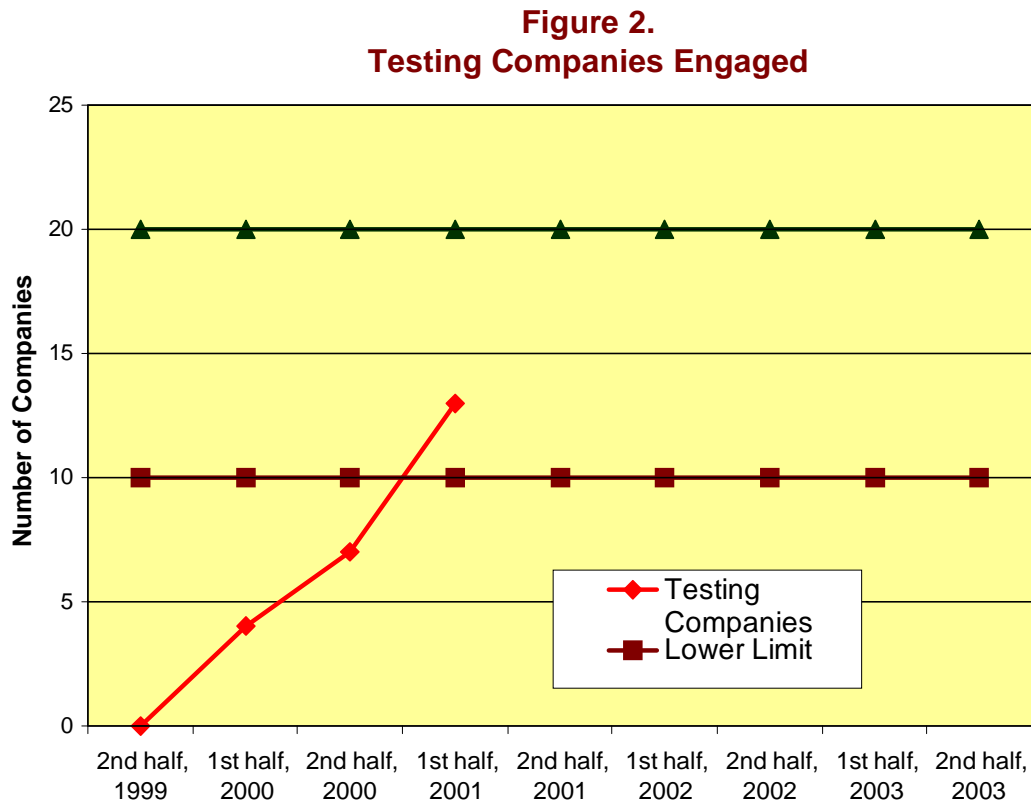
Figure 1 is the map of the system, the blueprint for the SBAP's campaign. It captures the "critical mass" of stakeholders and relationships that SBAP saw had to be orchestrated to drive the sector to 100 percent compliance. This map emerged from the strategic planning work of the SBAP team.

Figure 1.
The Critical Mass Of Forces
Orchestrated To Move The Sector To Compliance



How the SBAP built the "system" is the exciting story of the campaign. Each element represents activity that had to be managed. For example, "testing companies resuscitated, engaged" began with no testing companies in place.

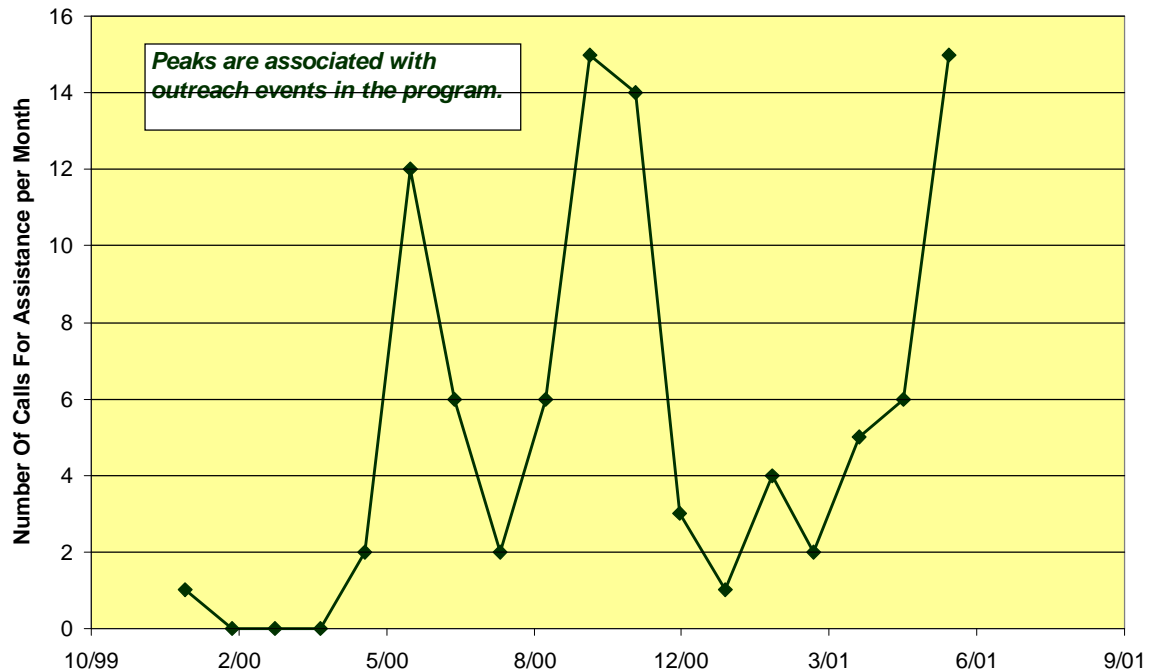
Consequently the number of equipment testing companies aggressively marketing their services in the area, became an important success measure. It has gone from zero to 13 due to the campaign, as shown in Figure 2. Given the size of the market, the number is expected to float between 10 and 20 firms.



As the campaign unfolded it was important and necessary to track the response of the gas stations. Were they hearing the message and taking action? The most immediate response could be seen in the compliance assistance hot line activity.

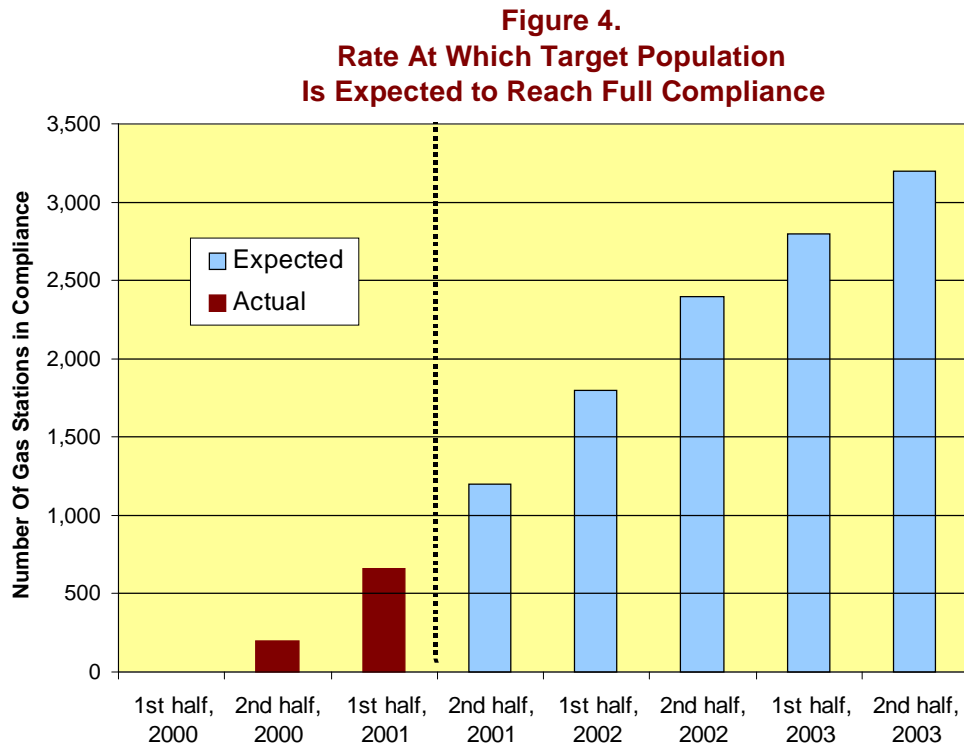
The number of hot line calls for assistance, shown in Figure 3, were measured. Calls are an immediate and sensitive measure of customer awareness and interest being stimulated by the outreach programs and public campaigns. The peaks shown in Figure 3 correlate with the program outreach efforts. As a result of the most recent mailings (June, 2001) calls are coming in at a rate of 15 per day.

Figure 3.
Hotline Calls On Vapor Control System Testing



As discussed later in the report, quick feedback from the customer enabled the SBAP team to refine its message and assure effective communication. Situations were uncovered where information sent to station operators was not clear. Clarifying messages had to be sent.

The ultimate performance measure is the trend in the cumulative number of certification tests successfully completed by gas stations and reported to the Department of Environmental Conservation (DEC). The number in compliance has gone from 0 to 660 over a 12 month period. Nearly 20% of the sector is now in compliance, as shown in Figure 4.



The campaign is expected to systematically move to 100% compliance over the next few years. As each station submits a successful test result to DEC, EFC sends the station the “good guy” sticker to show the public. A fifth related measure of program effectiveness will be the percent of certified stations displaying stickers.

The New York SBAP project is a model of the kind of disciplined performance systems that have to be in place to run a successful campaign.

A comprehensive campaign anchored in public relations

The SBAP envisioned a very comprehensive campaign that would systematically move the target sector to compliance as measured by the number of certified tests submitted to New York State's Department Of Environmental Conservation. A SBAP designed reporting form would be used and the submission rates would be monitored as the program activity unfolded.

The goal was to have all 3500 stations in compliance with effective equipment. The early objective was to move 20% of the stations into compliance.

The campaign was organized around a customer self-promotion and public awareness strategy. Stations that did the testing could promote themselves to the public by displaying *Petey Platypus* stickers on the pumps and on the station windows and doors. The sticker, with the prominent cartoon character, announced:

Maintenance – The Pollution Solution

“Breathe Easier.”

Certified tested in 2000/2001 – valid for five years.

The public would be made aware of the significance of the sticker through articles and public service radio messages. The SBAP team would continuously search for and develop public relations initiatives. The public awareness programs ranged from public service media announcements to special school partnership projects with children.

The Strategy:

Build a self-organizing system that will move itself to compliance.

“We want to move to an ideal situation where the compliance of the sector is self-directed.”

We want to get the elements in place, the economics in place, the public attitudes in place, that make it work on its own. We just give it a little push, a little energy to get it moving.

“We ask, ‘what energy will push the system in a favorable direction?’” All the players are distracted. We have to get their attention first. Then we have to make the benefit clear to each party. The work is about connecting. You create the connection.

This can be as captured as a formula for successful results. Set a clear goal, enroll and align all the necessary players around that goal, and then measure and adjust. Align enforcement, the testing firms, the associations, the stations and the public. All are aligned under a specific requirement and clear goal. Translate that goal into a transaction as a measure of outcome. Select a transaction linked to a regulatory requirement and a big environmental payoff.

An exciting moment for the SBAP was when the enforcement unit in DEC called to say the inspectors had seen the first *Petey Platypus* stickers on the pumps! It was April, 2000 following the first radio messages. The sticker is a public symbol of success uniting the stations, the gas buying public and the environmental regulators in a common mission.

A compliance infrastructure that makes it work

Behind the public relations approach was the infrastructure needed to make it work. There were four critical elements: outreach to stations, partnerships with stakeholders, a management information system, and assuring a testing capacity.

An exciting moment for the SBAP was when the enforcement unit in DEC called to say the inspectors had seen the first Petey Platypus stickers on the pumps!

Outreach to gas stations. An outreach initiative had to bring this requirement to the attention of the service stations in a dramatic way. It began with a mass mailing and was backed up with articles and workshops. A phased mailing to all 3500 stations was carried out in May – July of 2000. This notification was crafted for visual impact to get the addressees' attention. A specially designed envelope was used to pique readers' interest. The package included a rich set of easy to read information:

- ! Fact sheets
- ! Testing firm information
- ! Reporting form
- ! Description of public awareness and promotion program
- ! Description of penalties

Four Critical Infrastructure Elements:

- ! *Outreach to gas stations*
- ! *Partnerships with stakeholders*
- ! *A management information system*
- ! *Assuring a testing capacity*

Two articles were written for association newsletters. The associations were contacted individually and brought into the process as channels for communication. They offered newsletter space, notified their members, and explored possible roles they could play in the testing program. The associations also participated in the four SBAP workshops held to both inform and to convey seriousness to the sector.

Partnerships with stakeholders. An important partnership was formed with DEC. Early on an agreement was reached to share the information on certification tests with SBAP. The station behavior sought shows up as certification tests being submitted to DEC. That flow can be counted. SBAP would create an information system identifying all 3500 stations and use it to track compliance status as the tests came into DEC. It was arranged for all test reports to come to one person in DEC. In this way the flow of data is under control and the program gets an accurate count of activity. The reporting form has a unique design so that it is easy to track.

A management information system. The system created by SBAP was a major undertaking. It required SBAP to build an address data base for the sector from a number of independent and incomplete sources. (*See insert at right.*) That effort has created a powerful collaborative planning and management tool for SBAP and DEC. Since progress toward the goal is known, initiatives can be planned and tested to continue and to accelerate progress.

Assuring a testing capacity. As the SBAP moved forward it realized there was another part of the infrastructure that had to be built. It was necessary to reform the equipment testing industry for New York! With no demand for testing services for over a decade, the companies in state no longer made the service available. Through out 2000, SBAP worked with potential suppliers to develop the market and to set standards on the service. Interest in providing the service was stimulated and training programs for the industry are being arranged. (*See insert , “Recreating the Equipment Testing Industry” on the next page.*)

Managing a campaign means correction and adjustment.

Each activity undertaken in a campaign is an opportunity for verification, “did we get the effect we were after?” It is an opportunity for learning, “how can we do it better?”

The SBAP team organized itself as a learning organization. It watched what was happening and responded to keep the campaign moving forward. This turned out to be very important for outreach. The SBAP staff used the hot line to verify and learn about the effectiveness of the mailings. Quickly, from feedback received in hot line questions, they learned that people were confused with the first mailing. They were confusing two tests: tank tightness and vapor recovery. A card was immediately sent out clarifying the two tests. By phasing the outreach, each step became a way to check and assure the package was working. The SBAP team organized itself to manage in this mode.

Building a Management Information System is a challenge and major undertaking.

It was assumed that securing a database on the location of all gas stations in the area would be easy. However it took considerable effort and turned into a major developmental project. Data had to be brought together from several public databases.

From a regulatory perspective there was no central information source. DEC had delegated data collection on gas stations to four county governments. Each had a different and limited capacity to share data. The data itself is confusing with multiple entries for one address. Test calls to locations found the raw data unreliable. The State Department of Agriculture was contacted since it visits gas stations annually to verify weights and measures. They made their directory available. The several data bases were combined and then cleaned by hand to remove duplications due to spelling or abbreviations and to add missing zip codes. In the end a data base of 3,684 names was developed.

It takes significant time to put together a clean, reliable database. It’s an investment with a high return.

Managing a campaign means seeing possibilities and seizing opportunities.

The SBAP team was always in the mindset of looking for possibilities and seizing opportunities. While the team had a plan of activity it also had a process to generate new creative, innovative actions that would emerge as the plan unfolded.

For example, early on it became clear that the gasoline distributors, such as Texaco and Sunoco, would have both a legal and a public relations interest in assuring station compliance. The team approached them and got their support. In several cases the distributors instructed the stations they owned or supplied to act quickly to comply.

The SBAP saw partnership opportunities arise naturally with other partners. One partner, the Small Business Environmental Ombudsman (SBEO), produced two “regulatory alert” postcards that were sent to all stations in the data base. One card discussed the testing and reporting requirements for Stage II vapor recovery equipment. The SBEO followed these cards with a brochure having the following question on its cover: *“Is your gas station in compliance with the New York State requirements for Stage II vapor recovery equipment?”* The series of multiple mailings by both the SBAP and the SBEO helped raise station awareness and demonstrated seriousness. According to one station owner: “the regulatory requirements are serious and they are not going to go away.”

The SBAP recognized the importance of coordinating its compliance assistance with enforcement efforts. The SBAP saw the enforcement work of DEC as another partner sending a strong message and providing an incentive for compliance.

In 2000, DEC conducted 900 gasoline station inspections. They issued \$420,000 in civil penalties during these inspections. The most common violation was failure to produce documentation of Stage II dynamic back pressure testing, although DEC was not yet levying penalties for this type of violation.

In the spring of 2001, the SBAP prepared a “last chance” letter to build on the momentum created by DEC. The letter was sent to all stations that had not yet completed their Stage II testing. In June, 2001, DEC began enforcing and penalizing service stations for not doing the necessary vapor recovery testing and for not keeping a copy of the test on site, as required.

Recreating the equipment testing industry

At the end of 1999 the equipment testing companies were not ready to test large numbers of gasoline stations. An early search found none in New York State and only a few out of state. No firms were providing the service in New York State. There was no price information. The capacity to test gasoline stations had deteriorated since there has been no demand for over ten years. SBAP had to resurrect and resuscitate the industry.

The SBAP recognized the importance of coordinating its compliance assistance with enforcement efforts. The SBAP saw the enforcement work of DEC as another partner sending a strong message and providing an incentive for compliance.

Managing a campaign is about innovation.

The concept of “orchestrating forces” that interact to move stations to compliance creates an arena for innovation. New, positive forces can be created and added to the campaign. The school education module is a very good example of innovation as the campaign unfolds.

The “good guy” sticker enabled gas stations to promote themselves to the public. The public awareness program publicized the sticker with the gas buying customers and made it a valuable promotion vehicle for gas stations. The greater the public awareness the greater the value to the station. The SBAP wanted to add power to the public awareness component so the team created the school education module.

Children frequently are the agents who push families toward greater environmental awareness. Therefore, the SBAP team developed a strategy to educate students in the target area about the environmental issues of auto refueling and the significance of the

Children frequently are the agents who push families toward greater environmental awareness.

Petey Platypus “Good Guy” sticker. The goal was to have families choose to do business at compliant stations displaying the sticker.

An education module is being developed under contract for use by 5-12 grade science teachers in all the area schools. It will include a teachers’ guide and lesson plan, information on the environmental and health issues, and student work sheets. There will be suggested class field projects where children monitor gas stations, looking for the sticker. The module will be sent to all science departments of public and private schools in the Metro Area. Informal surveys of teachers have found positive interest. Educators like real world applications associated with common daily events. This will create, through the children, a dialogue within the family that increases the value of the sticker by increasing awareness.

“A new and exciting way to achieve our mission.”

Marian Mudar describes this project as demonstrating a new way of doing business. “This is exciting work. It’s being the catalyst for a self-organizing system.”

It begins with a game plan but much of the important work is improvisation. “A lot of this you don’t know how to do it until you do it. We have a team of four involved, Harry Ching, P.E.; Jim Coyle; Steve Mohr; and Virginia Rest. Denny Hunter, SBAP’s Technical Clerk, has been instrumental in managing the data base. The team convenes continually to chart progress and problem solve. The team makes it work... The goal is to bring all 3,500 stations in compliance. We assume all will comply... but we are prepared for mid course corrections. We build in check points. Initial success would be 20%, but we would not stop until we had it all. When we came up short we go into creative problem solving. We learn why they are not responding. This is exciting because we always find an answer. We know what is needed.”

The goal of full compliance is extraordinary and beyond the reach of the SBAP alone. So the SBAP has to manage a campaign where it orchestrates a number of forces and players. “No one effort, such as enforcement, or outreach, or public awareness, ... will reach the goal. But together the pieces can reinforce and leverage each other. The whole is truly greater than the sum of the parts,” says Marian Mudar. It’s a systems approach that enables the team to see how the elements have to work together.

“This work let us see missing pieces and important points of influence, and go after them. Normally this would not be apparent. For example, reforming the testing industry became an obvious and necessary project. Working with distributors surfaced as an important point of influence.”

A great deal of effort has to go into managing relationships inside the regulatory community. This work can not be done without the other regulatory players. Everyone has a part to play.

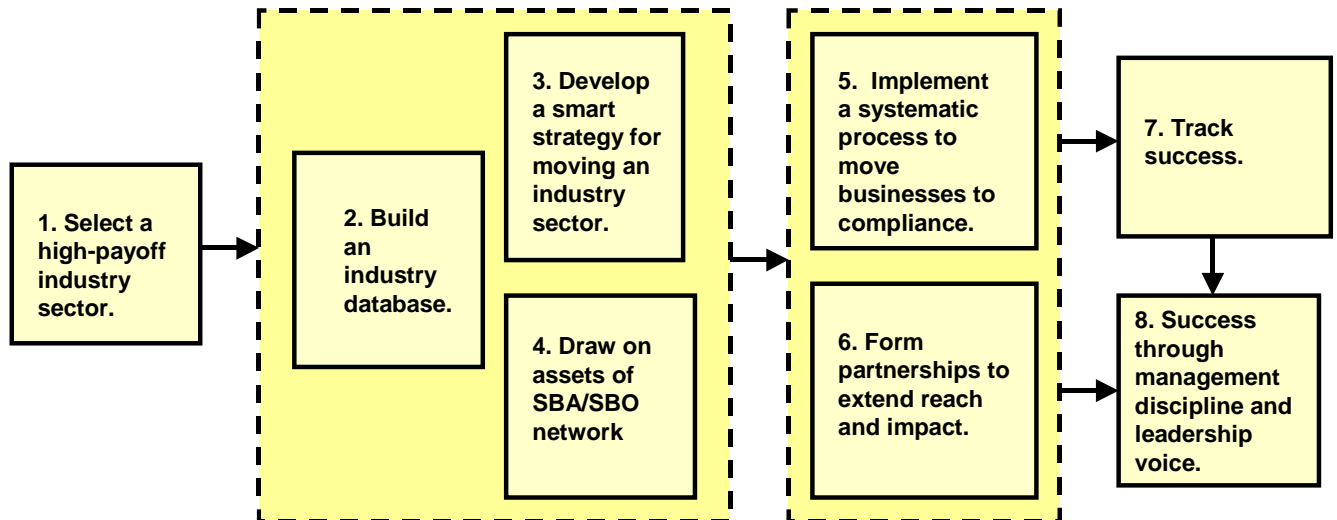
A big part of this work is managing relationships, according to Mudar. A great deal of effort has to go into managing relationships inside the regulatory community. This work can not be done without the other regulatory players. Everyone has a part to play. Outside the structure of the agency you have to deal with all the private sector players: associations, distributors, testing companies, media, schools, and the stations themselves. Our role is to orchestrate all the pieces so that the goal is achieved.”

Managing a campaign like this takes a long term commitment. “We have to be able to stick with it, to keep our eye on the goal... Staff energy level sags as we encounter what looks like ‘too many obstacles’... The energy of the team has to be renewed and managed. Our team’s spirit has to be maintained.”

And that takes vision and leadership.

New York is a “Type I” SBAP Project:
“Manage a campaign in an industry sector
for achieving full compliance, low pollution status”

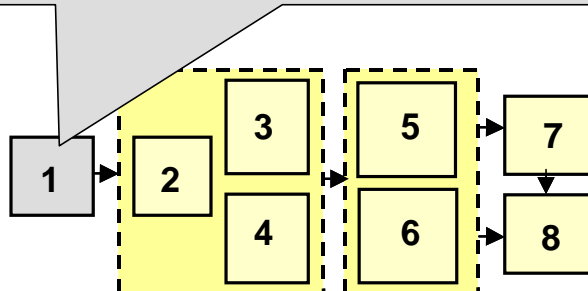
Type I projects are implementing strategies for moving an entire industry to compliance.
Their approach can be grouped into eight steps.



The Eight Steps in the New York Campaign:

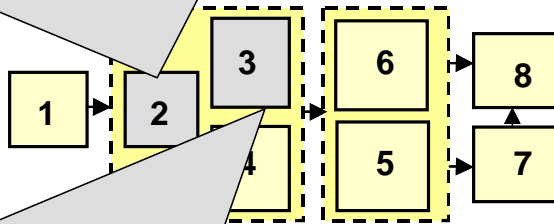
1. Select a High-Payoff Industry Sector.
Certification of Gas Station Vapor Recovery Systems

- **Significant Opportunity.** No outreach for over a decade. Stations not tested, not in compliance. Testing industry disappeared.
- **Large and concentrated number of businesses.** Over 3,500 gas stations within New York Metropolitan Area.
- **Clear objective:** All gas stations have vapor recovery systems that have been certified tested.
- **High environmental impact:** Experience suggests that full compliance can reduce air emissions in the area by 6,000 to 12,500 tons per year.
- **Measurable results:** Track a critical transaction, the submission of certification test results as required.



2. Build an Industry Database.
Create New Information Asset
for Compliance Assistance and Enforcement.

- **Create mailing list data for sector.** Pull together data from government sources. Clean it up and verify.
- **Framework for tracking success.** Use a database as the foundation of a management information system for tracking success. Keep information current.

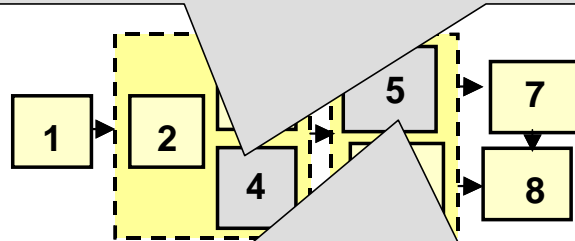


3. Develop a Smart Strategy for Moving the Industry Sector.
Orchestrate Comprehensible Outreach, a Restructuring of the Sector
and a Large Scale Public Awareness and Promotion Campaign.

- **Develop station directory and tracking capability.** Build from public databases a directory of stations in the area. Partner with DEC to track success. Develop a user friendly reporting form.
- **Recreate the testing industry.** Find and enroll organizations who can perform the test. Produce workshops for training testing industry and stakeholders.
- **A focused, proactive outreach campaign to stations:** All gas stations receive a series of outreach services over a two year period:
 - *Initial letter with fact sheets, reporting forms, testing information. (4/00)*
 - *Follow up letter to all stations*
 - *Articles in association newsletters*
 - *Workshops for stations (4)*
 - *Self-inspection handbook and updated list of testing companies mailed.*
 - *Last chance letter and handbook (6/01)*

4. Draw on Assets of SBA/SBO National Network.
Build on the work done in California.

- **Estimates of impact:** Based on work of California's Bay Area Air Quality Management District.
- **Materials.** California's self-inspection handbook and informational comic book were adapted to New York. 5,000 were printed for distribution in June. Mailed to all stations in the data base.



5. Implement a Systematic Process.

Execute a campaign involving all stakeholders.

- Testing capacity created, potential companies identified.
- Notification packages went out in five stages, several weeks apart, beginning in May 2000.
- Four workshops held in the fall of 2000 with help from the associations and testing companies. Notice of workshops sent a signal of seriousness after years of silence. Good cross section: gas stations, wholesalers, testing companies, local safety/health officials. There were 25-40 people at each.
- Performance tracking system with DEC in place and reporting.
- "Petey Platypus" cartoon character created to appear on stickers for public display at pumps.
- As outreach letters were sent out, hot line calls increased and stations acknowledged having received the mailing.
- By December the first article was done and published in association newsletters. Article reached 35,000.
- In March radio spots (60, 30, 10 second) publicized the campaign and "Petey Platypus"
- Governor's support was announced in March 2001 press release.

**6. Form Partnerships
to Extend Reach and Impact.**

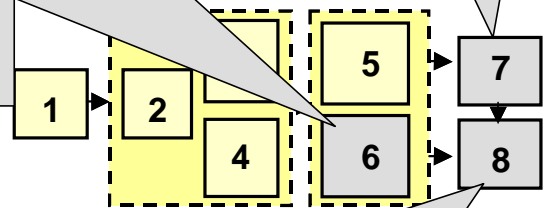
**Create stakeholder roles
that advance the campaign
and achievement of the goal.**

- **Associations.** Identified 13-14 service station associations to work with. Sent letters out and asked for a point person to work with.
- **DEC.** A partnership with DEC, responsible for enforcement, evolved. Compliance assistance program is able to help them achieve their mission.
- **Gasoline distributors.** Their name is on the pump (e.g. Exxon). Contacted to explore role, interest. Distributors serving as a force to drive compliance of their owner/operators.
- **Testing companies.** Organized companies to see New York Metro Area stations as a new market.

7. Track Success.

**Real time monitoring
of results.**

- **Outreach.** Monitor level of hotline calls following outreach efforts.
- **Compliance.** Monitor number of certification tests reported to DEC.
- **Testing Industry.** Identify firms offering testing services.



8. Success Through Management Discipline and Leadership Voice.

Know where you want to end up, then listen and adjust.

- **“We have a game plan.”** Have a very clear goal that is measured and organize a set of activities that can influence it.
- **“Measure and adjust.”** Know the result you expect at each step, measure actual results, and be creative about adjustments.
- **“Go public, find partners.”** Bring the public in as partner. Seek additional partnerships that add positive forces. Celebrate each success.
- **“Continue to innovate.”** Experience will surface new possibilities. Be open to seeing and pursuing them.

*The California South Coast
Air Quality Management District SBAP Project*

**Demonstrating a Four-State, Public/Private Partnership
to Reduce Emissions by Industrial Boilers.**

SBAPs in four states join forces to help businesses reduce air pollution, conserve energy, and save money.

Small business assistance providers (SBAPs) in the four states in EPA's Region IX are demonstrating the feasibility of helping businesses that operate industrial steam boilers reduce air pollution, save energy, and reduce costs by simply keeping their boilers tuned up.

A four-state public and private partnership formed for this project is testing the approach in Southern California and plans to apply the template that is being developed throughout Region IX, which includes California, Arizona, Nevada and Hawaii.

The pilot project, when completed, will document annual cost savings and emission reductions for businesses that adhere to a recommended six-month schedule of regular boiler tune-ups. The campaign includes offering free tune-ups to targeted boiler operators, and the results of these tune-ups will be used to help convince all boiler operators of the benefits of tuning up. The project leaders expect the campaign to also improve awareness of the SBAPs among the boiler operators, a group which would not otherwise have known these environmental services were available

Perhaps most significantly, the project is forging a powerful public-private assistance delivery network engaging SBAPs with energy companies and an environmental education consortium involving three major corporations. From the pilot test in the Southern California region, practical tools and a knowledge base are being created that will be applied through this network to reduce air emissions from industrial boilers in all four states.

**A High Payoff Industry Sector:
Industrial Boiler Operators**

The project leaders chose to focus on a specific industry sector — industrial boiler operators — in demonstrating the benefits of a multi-state partnership approach to environmental assistance.

- ! **An opportunity to reduce pollution:** industrial boiler operators in schools, hospitals and businesses were known to cause NOx emissions if burner technology and/or maintenance were below par.
- ! **A clean slate:** this sector had not been targeted for assistance previously.
- ! **Technology was available** for reducing pollution and saving fuel.
- ! **Incentives were available:** energy cost savings, free equipment tune-ups.

Outreach project achieves emission benefits without additional regulations or costly control equipment. Even in areas where boilers are not subject to emission controls or tune-up requirements, emissions will be reduced and energy conserved by simply informing business owners of the financial benefits of regular tune-ups. This strategy of using outreach and information, rather than command and control, can be applied to a number of other unregulated industries.

Building a cooperative effort among neighboring SBAP's was a major goal of the project.

Rather than competing with neighboring agencies for one of the EPA Cooperative Agreement Grants, the SBAPs in Region IX chose to work together toward a common goal. Choosing an industry sector that could be the focus of efforts in all four states was difficult because air pollution levels and regulations varied from state to state.

Even after they agreed on the target sector of industrial boilers, the partners didn't know what all the benefits might be. But they were united in their belief that a spirit of collaboration would have long term benefits beyond whatever emission reductions the specific project might bring. Therefore, a major goal of the project would be to develop a clearer picture of the synergies that could be achieved through multi-state collaboration as well as what it takes to successfully lead and manage a campaign across SBAP boundaries.

Rising energy costs change the economics.

The "cost savings card" turned out to be a major attention-getter when midway in the SBAP's campaign California entered an energy crisis. Between August 2000 when the campaign was launched and mid-2001, fuel costs soared. Suddenly, the savings connected with regular maintenance increased dramatically.

While the benefits of reducing pollution and conserving resources are always worth promoting, they became even more powerful in this case when events outside the campaign accelerated a trend that everyone involved in this work believes will ultimately tip the scales in the favor of environmentally sensitive business practice.

Developing a strategy for moving the industry and measuring results.

Early on, the participating SBAP's recognized that they would need a certain level of engineering expertise to understand what size of boiler to focus on, and what benefits might arise from tune-ups. Gas company representatives from several states were invited to participate in planning the project. From them, the SBAP's learned that mid-sized boilers (2-5 million BTU/hr) were the ones that would benefit most from a tune up.

Estimating the cost savings was the key to the outreach campaign. The project participants recognized early that environmental benefits alone would not be enough to convince businesses to tune up their boilers. The partners knew there were likely to be cost savings associated with a tune up, but nobody knew how much. Then, at a national conference of SBAPs, the partners learned about EPA's Energy Star program. One of the Energy Star engineers was able to quantify how much money a boiler operator could save by tuning up his boiler. This gave the participants the tools they needed to develop an outreach campaign — one that encouraged

tune-ups because of the money that businesses could save.

The "cost savings card" turned out to be a major attention-getter when just as the campaign was about to begin, California fell into an energy crisis and fuel costs soared. (See sidebar, "Rising energy costs change the economics.")

Free boiler tune-ups bring businesses into the program. During the planning meetings, the participants discussed offering a number of free tune-ups as an incentive to get businesses to participate. Typically, a tune up costs from \$200-300. Southern California Gas Company pointed out that they already offer free tune-ups in their area, but that they have not advertised the program for years because they were not sure they could meet demand. However, the company agreed to conduct 50 free tune-ups under the auspices of a pilot project being conducted by the SBAP.

Free boiler tune-ups draw customers into the campaign.

One of the benefits of the public-private partnership strategy was that it enabled the campaign to tap into a free boiler tune-up program being offered without previous fanfare by one of the Southern California gas company partners. The SBAP was able to offer free tune-ups, worth \$200-300 each, that allowed boiler operators to evaluate for themselves the benefits of better boiler maintenance at zero risk and investment. It also provided the campaign with the opportunity of collecting hard data during the tune-ups that could be used to document and publicize the benefits of lower emissions, greater efficiency and fuel cost savings to the entire business community.

Success measurements were built in.

To document the campaign's impact, a preliminary survey was conducted. Several of the SBAPs had access to inventories of boilers in the size range that was the focus of the project. The South Coast AQMD, which was taking the lead on the project, had nearly 1,300 boilers in the target size range. As its first measurement, the South Coast AQMD conducted a baseline survey of a random sample of businesses to determine how frequently they tune up their boilers. From this baseline survey, they learned that, at least within their highly regulated jurisdiction, most businesses tune up at least once per year, and many tune up every six months.

Additional measurements were built into the project design. The free boiler tune-ups offered as part of this project provided opportunities to make before-and-after assessments of conditions found on-site including burner efficiency, NOx emissions, fuel usage, and frequency of maintenance. Finally, a follow-up survey was planned for after the campaign had been underway for several months to determine if businesses had increased the frequency of tune-ups because of what they learned from the project.

Unexpected opportunities appeared as the campaign moved forward.

One unexpected opportunity of the project was the availability of 50 free tune-ups in the Southern California area. That will allow a mid-project assessment before the project moves into the other three states, where the tune-ups will have to be paid for out of the grant money.

Another unexpected event was the dramatic surge of energy costs that developed in California late in 2000. Suddenly, businesses were looking for any opportunity to reduce their natural gas bills.

The outreach campaign was quickly revised to be directed not just at building maintenance engineers, but financial officers and comptrollers as well. When financial officers see that even a moderately out-of-tune boiler could be wasting more than \$1,000 per year in gas, they recognize the importance of promoting a good boiler maintenance program.

Cooperation among participants is proving to be key.

As the project has developed, various participants have had to continue meeting their day-to-day priorities. In some cases, staffing changes, and downsizing have reduced the ability of participants to commit to the degree originally anticipated. However, the participants have shown a spirit of cooperation that has made it possible to continue the project by having neighboring SBAP's in California agree to take on portions of the work.

The project is demonstrating the feasibility of reducing air pollution and saving costs for operators of industrial boilers in a targeted region. It has forged a powerful public-private assistance network and a strategic template that can be applied to reduce air emissions from industrial boilers in all four states in EPA's Region IX. #

Practical Survey Methods: EPA training brought a powerful tool into focus.

Just at the time the Southern California SBAP was preparing to launch its initial survey it learned about a training course in practical surveying techniques offered by EPA Region IX's compliance training office. Larry Kokczak attended the course and found it to be just what he needed to make the project's survey effective.

All SBAPs need good information about "what's out there" in their target business sectors. They use surveys for collecting this information, but sometimes get disappointing results due to low response rates and survey questions that don't really get at the issues that matter.

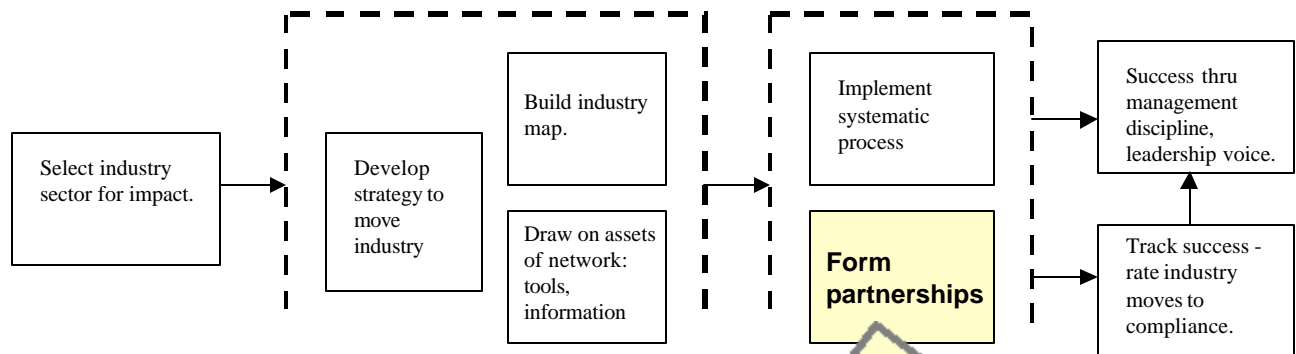
Larry found the EPA course to be a practical, hands-on, nuts-and-bolts discussion of how to design effective questionnaires, maximize response rates, analyze the results, and address the pitfalls commonly encountered with surveys.

Using the advice obtained, the SBAP carried out a telephone survey of 39 boiler operators. The survey proved to be a crucial ingredient in the campaign, enabling Larry to shift the focus to an industry segment and intervention strategy having higher payoffs (operators of boilers in the two-to five-BTU range; more frequent, 6-month maintenance schedules).

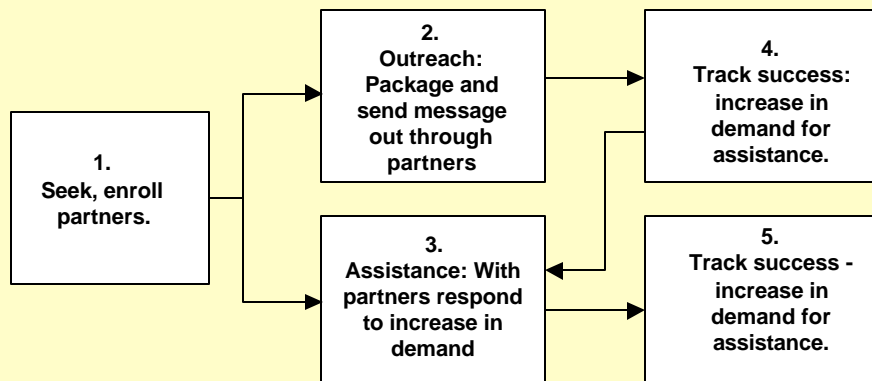
California is a “Type II” Project.

Type II projects use partnerships
to multiply the demand and capacity for delivering assistance.

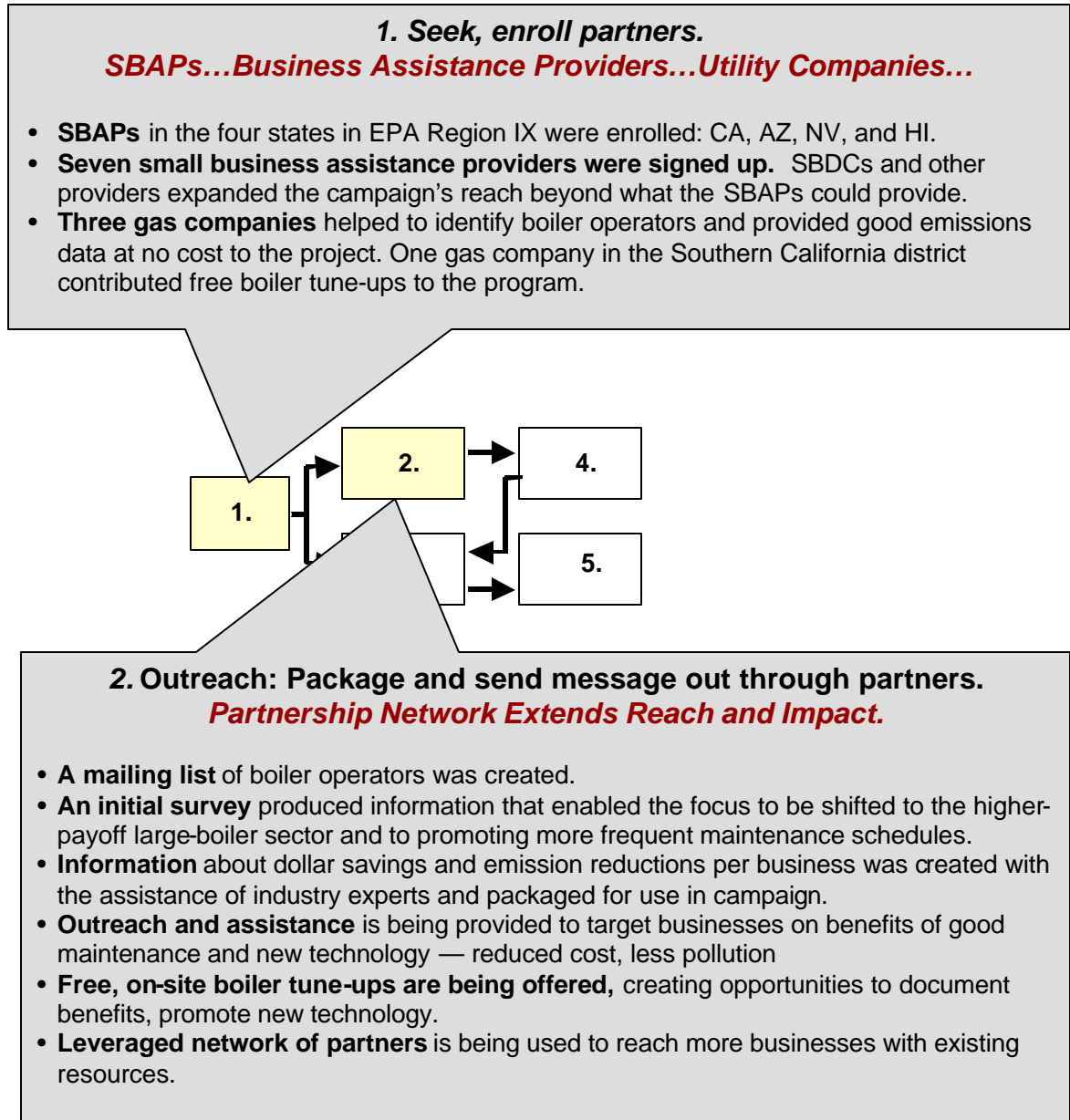
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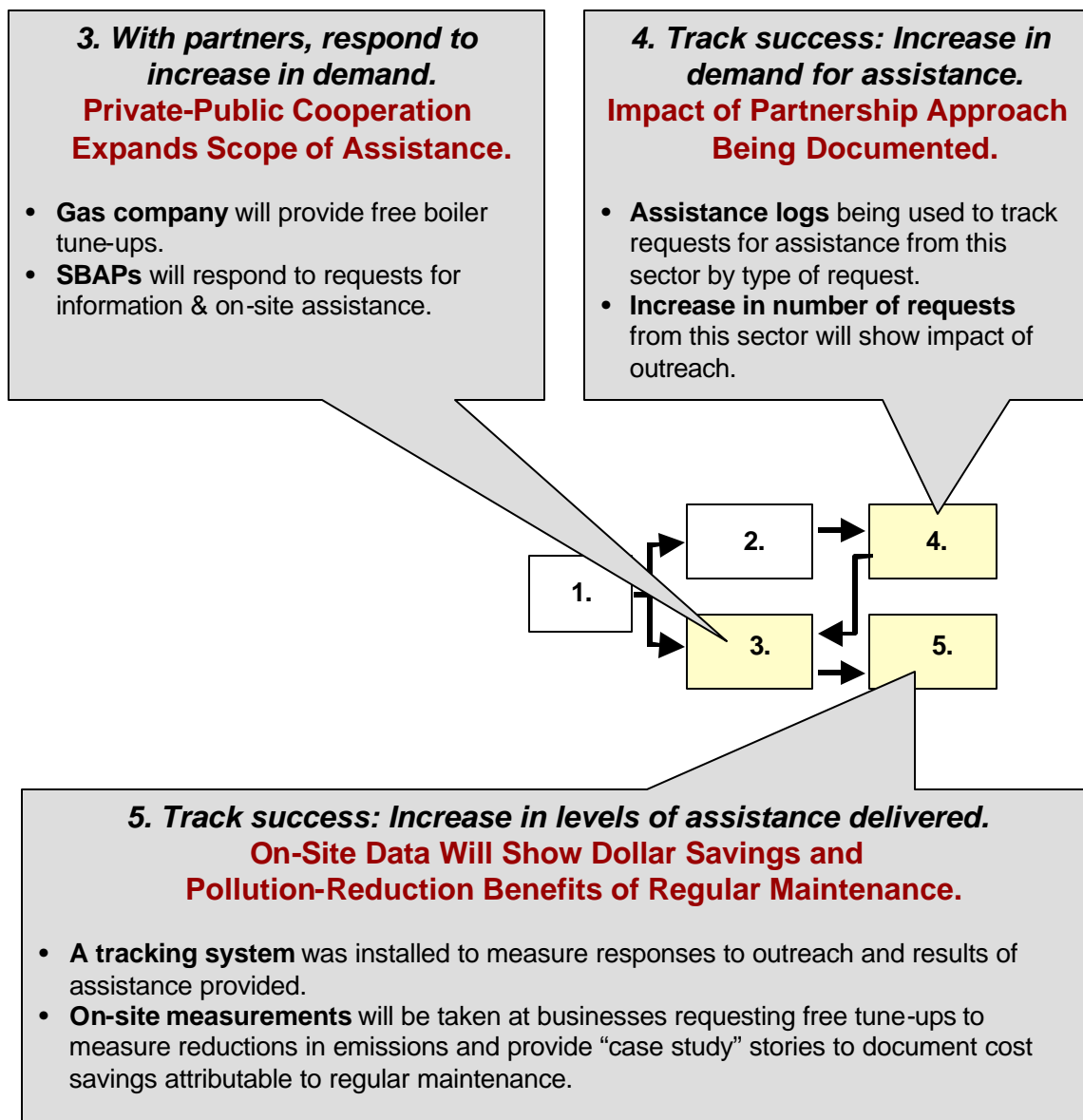


Type II: “Multiply demand and capacity for delivering assistance by forming partnerships.”
The approach can be described in terms of five steps.



The Five Strategic Steps in the California Project:





The Colorado SBAP Project

Using partnerships to multiply the demand and capacity for delivering assistance

A powerful network has been formed to deliver environmental assistance in Colorado.

The Colorado Small Business Assistance Program (SBAP) has set in place a partnership called “EnviroMentors” that dramatically increases the ability of its tiny, three-person staff to provide Colorado’s 10,000 small businesses with “one stop shopping” environmental assistance and information.

With a grant from the EPA’s Cooperative Agreements Program, the SBAP has enrolled over 60 partners, including 21 small business development centers (SBDCs), 10 chambers of commerce, 12 state and local pollution prevention organizations, 25 small business and trade organizations and several lending institutions.

EnviroMentors: A Unique Channel for Industry Feedback and Advice.

The SBAP, with the help of “Golden Rule Marketing,” has created an advisory group to help guide the project to the most efficient and effective methods for networking and reaching the businesses in Colorado. The group consists of hand-picked leaders in various business sectors. The individuals chosen for this group are leaders in their respective industries and would, therefore, have influence and insight into the workings of the every day business person in those industries.

The group is called the EnviroMentors. It will assist SBAP in the following areas:

- Increase the value of services by assisting in content development((presentation and handout content; web tools at some point);
- Improve program delivery by leveraging their existing leadership and network within key industries;
- Specifically sharing access to vendors and suppliers as well as co-hosting /sponsoring workshops;
- Provide input on regulatory issues by serving as an internal focus group to discuss current topics;
- Provide external quality assurance and quality control feedback as SBAP’s eyes and ears in the market; provide direct feedback on workshops and presentations.

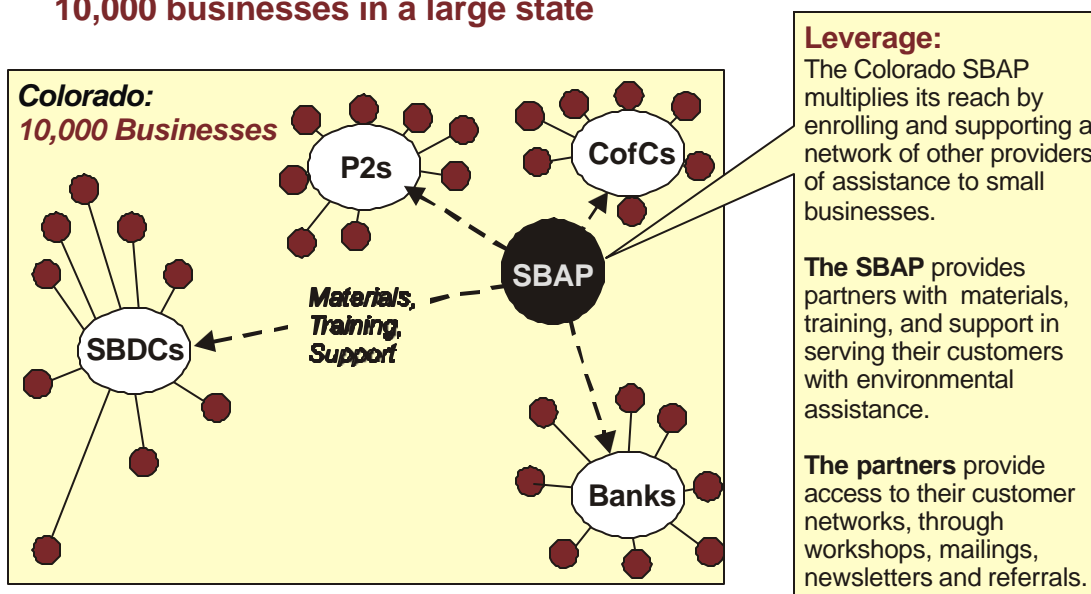
The group continues to help the SBAP to determine the best methods for getting the word out to their peers. In the initial stages, the group met monthly and is now meeting quarterly.

Figure 1 illustrates how the partnership strategy used in this project enables a three-person SBAP staff to serve a state with 10,000 small businesses. The partners will integrate their training programs aimed at small businesses to include environmental information. They will distribute SBAP's materials through their combined networks and will refer affected businesses to the SBAP for compliance information and assistance.

By the end of the current phase of the project in June 2002, the SBAP will provide 10,000 small businesses with training and/or information. It expects to have reached 100 percent of the small business community.

The result will be greater efficiency and better customer service for all the partners in the network. More businesses owners will know about environmental regulations and how to run an environmentally friendly operation. Small business operators everywhere in the state will know where to go for answers to their environmental questions.

Figure 1:
How a three-person SBAP impacts
10,000 businesses in a large state



Progress and success are being tracked.

Three types of results are indicated by the measures in the enclosed figures. Figure 2 indicates the growth in partnership channels available to the SBAP for providing outreach to businesses in Colorado. Figure 3 shows the number of businesses provided with assistance since the project began in June, 2000. Figure 4 indicates the growth in assistance requests generated from outreach through the network.

Figure 2.
Growth of Marketing Network

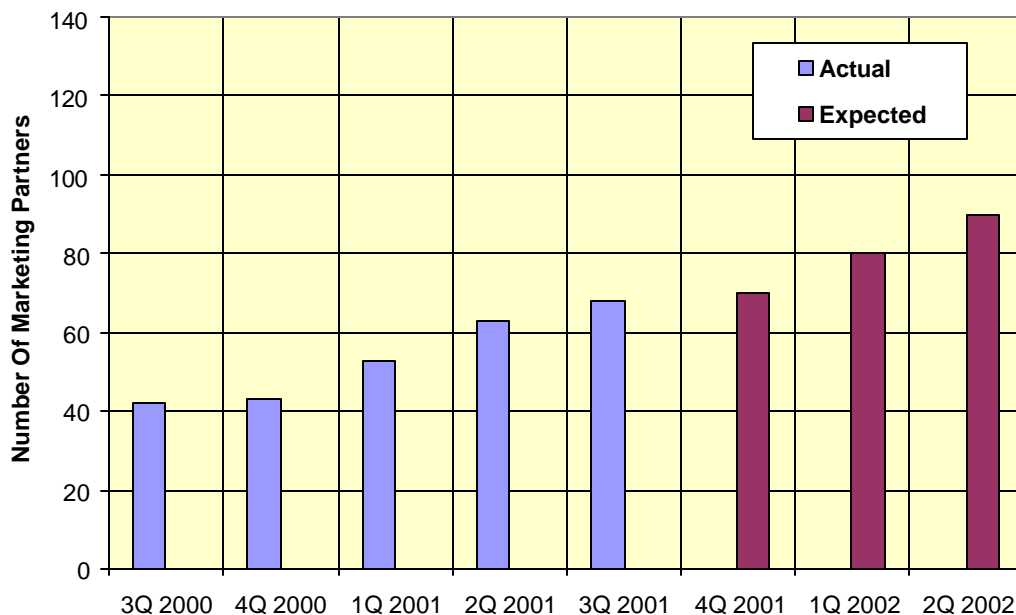
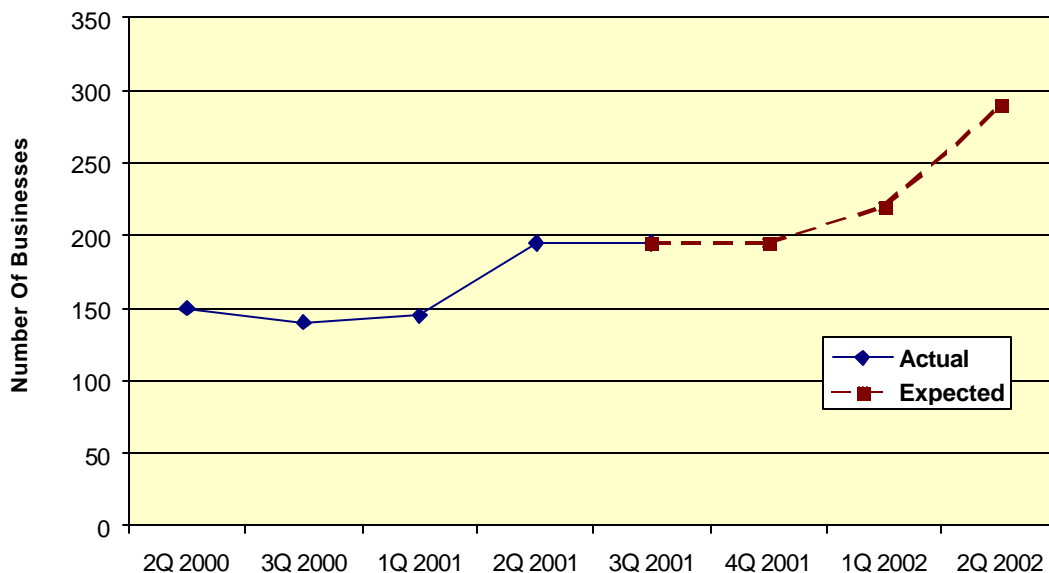


Figure 3.
Impact on Businesses:
Number of Businesses Provided with Information



Tackling the SBAP's basic problem: how to cover a big state with a small staff.

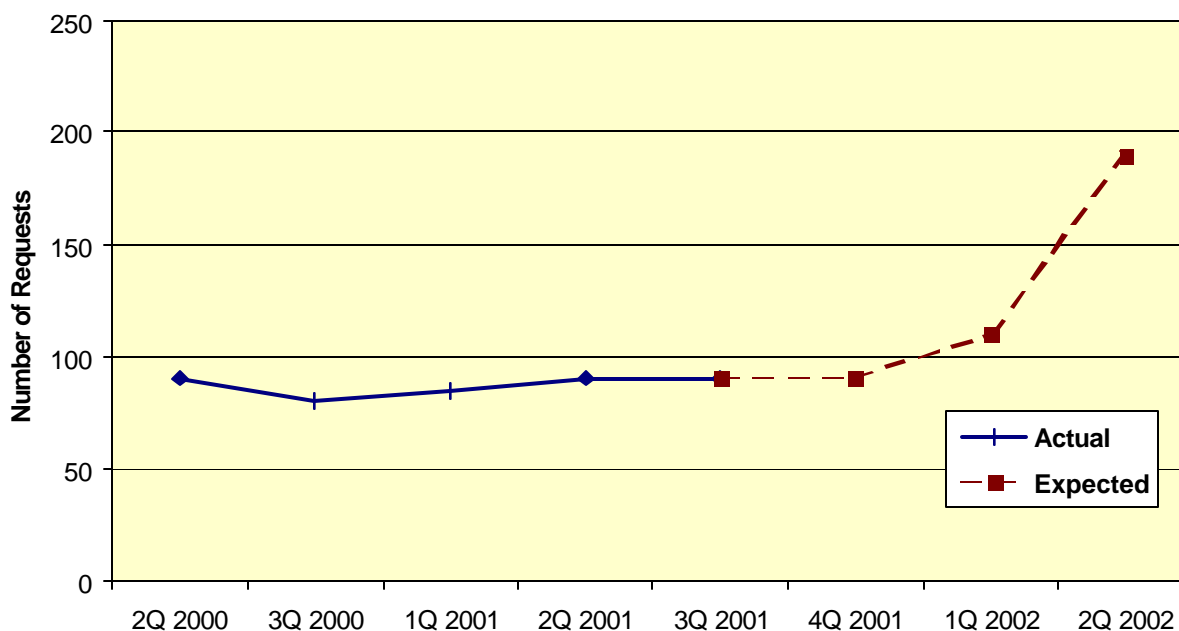
Julie Wrend, supervisor of Colorado's SBAP, faced a dilemma common to small business assistance programs everywhere in the nation: too many businesses to serve with too few staff. Colorado's SBAP has three people, including Julie, to cover the state's 10,000 small businesses.

Julie's goal is to dramatically increase SBAP's capacity to provide outreach and assist businesses without expanding staff. She especially wants the SBAP to have greater impact in parts of the state they have not yet reached. According to Julie, the program has good presence in the metropolitan areas on the eastern side of the Rockies, but very little presence in the more rural areas, particularly on the western side of the Rockies.

...the program has good presence in the metropolitan areas on the eastern side of the Rockies, but very little presence in the more rural areas, particularly on the western side of the Rockies.

An important goal of the project was to create better outcome measures for compliance and pollution prevention efforts. "If you don't measure it, you won't value it," said Julie. "We're hoping to develop better surveys and tools we can integrate into our other projects."

Figure 4: Requests for Assistance



Designing a “networking” strategy.

The SBAP decided to make the development of a distribution network a central focus of the EPA Cooperative Agreement grant. It would build a network of partners who already have well-established relationships with small businesses — SBDCs, chambers of commerce, local and state pollution prevention programs, lending institutions. They would leverage that network by asking the partners to distribute the SBAP’s outreach and compliance assistance materials to their “customers.” “An example was the Colorado Environmental Business Assistance Center,” said Julie Wrend. “It is an arm of the Denver-area SBDC. They have strong ties to all 21 SBDCs throughout state, as well as to 52 Chambers of Commerce. They would be an ideal partner to link into the SBAP’s network.”

The goal was was to get 100 percent of small business providers enrolled. This would provide multiple channels for businesses to get environmental assistance. Incentives for partners to participate would include better performance on their missions by expanding their service offerings to include environmental assistance, becoming more cost-effective in meeting customers’ needs and creating synergies such as joint marketing opportunities and training events.

The project would help to consolidate the functions now residing in multiple small business assistance programs. By working together, the partners would eliminate duplication and increase efficiency.

The project would help to consolidate the functions now residing in multiple small business assistance programs. By working together, the partners would eliminate duplication and increase efficiency.

The SBAP would support these partnerships by supplying effective environmental materials, training the partners to deliver environmental information and supplying additional communication channels such as a brochure that partners could distribute and that would help their customers find the environmental information that they need.

An important part of the strategy: timing. Julie felt that environmental assistance would have a greater impact on businesses if she could hit them early in the startup phase when critical decisions affecting the environment were being made. This is where the connection with SBDCs and lending institutions would pay off. Startup businesses rely on these agencies and would be more open to environmental information early in the process than after they had made big investments and settled into a pattern of operation.

Executing the plan: learning and adjusting as you go.

The SBAP contracted with a market research firm, “Golden Rule Marketing,” which had an impressive track record designing and facilitating community outreach campaigns for service delivery organizations.

Twenty people were invited to a “stakeholder meeting” in June, 2000. The goal was to form a core group of partners and discuss what it would take to make the proposed collaboration work. “Everyone

was willing to work with us,” said Julie. “Everyone was worried about their lack of resources and eager to join with others who could multiply their impact.” Sixty partners were enrolled at this initial meeting.

Sixty partners were enrolled at the initial meeting.

In July, 2000 the contractor carried out a statistically-significant survey of

Colorado businesses. “The survey provided us with a beautiful report, and it changed our game plan,” said Julie Wrend. It revealed that the SBAP had more credibility with businesses than it had expected and that SBDCs had less. “The businesses’ level of trust for us was amazingly high,” said Julie. “Businesses didn’t want to get environmental information from SBDCs.”

As a result, the SBAP revised its concept of how it would use the network. It decided to integrate its training with its partners’ training rather than primarily depending on the partners to deliver the information. It asked the contractor to develop two Powerpoint presentations, one for the SBAP to use directly with customers and another which the SBAP can present to the partners so they will know about the SBAP services and which kinds of businesses to refer to the SBAP for environmental and compliance assistance.

“The survey provided us with a beautiful report... and it changed our game plan.”

The materials and distribution methods were simplified. The original idea was to create a large all-encompassing document about environmental assistance, and to use the SBAP’s Web site as a major channel for distributing information. As a result of the survey, SBAP decided instead to create a short, three-fold brochure that would direct a business to the SBAP for environmental assistance. It also decided not to work on enhancing its Web site for the present.

Increased demand will require more capacity to respond. The SBAP realized that once the network is in place and the word has gotten out that the SBAP can be of service, the SBAP will most likely need more personnel to meet the demand for service and to

handle an increased number of phone calls from small businesses.

Outreach through the network began in July 2001. Workshops were presented at stakeholder meetings and directly to targeted business sectors, including trade groups and industry vendors.

Opportunities were generated.

The Cooperative Agreements grant project has given the SBAP the opportunity to extend its outreach capabilities and serve 100 percent of the state's small businesses. It provided a chance to create relationships with small business service agencies, local health departments and lending institutions. These relationships will make SBAP's efforts more effective and efficient. The survey provided an opportunity to learn and to test better ways to deliver environmental information to the small business community.

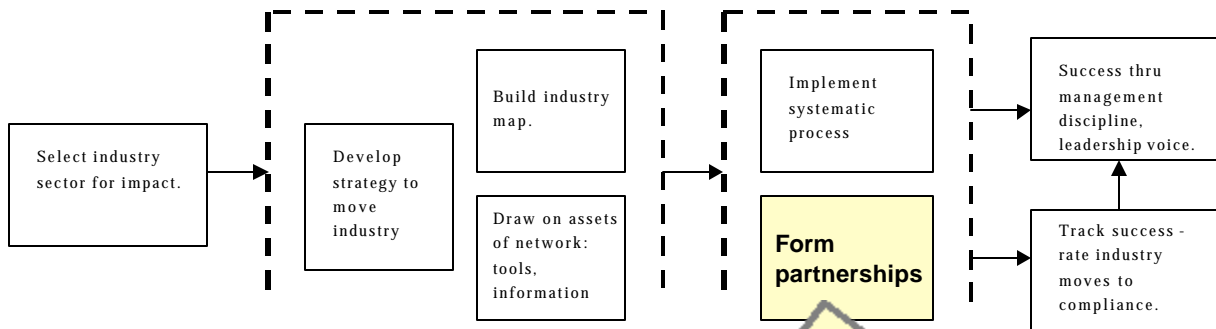
A powerful asset has been created.

The Colorado SBAP has successfully applied a networking strategy, partnering with other small business providers to dramatically expand the service delivery capacity of its small staff. In the process it has sharpened its skills in using survey information and developed the campaign tools it needs to run an effective campaign. It has set in place a distribution network it can apply in future projects which vastly multiplies its capacity in the future to deliver environmental information and assistance to Colorado's 10,000 small businesses.

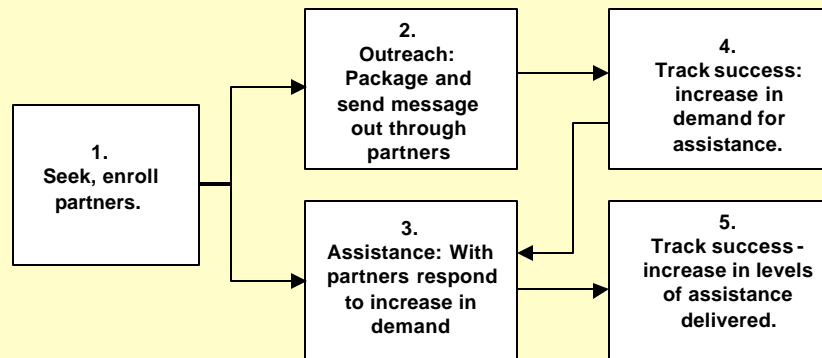
Colorado is a “Type II” Project.

***Type II projects use partnerships
to multiply the demand and capacity for delivering assistance.***

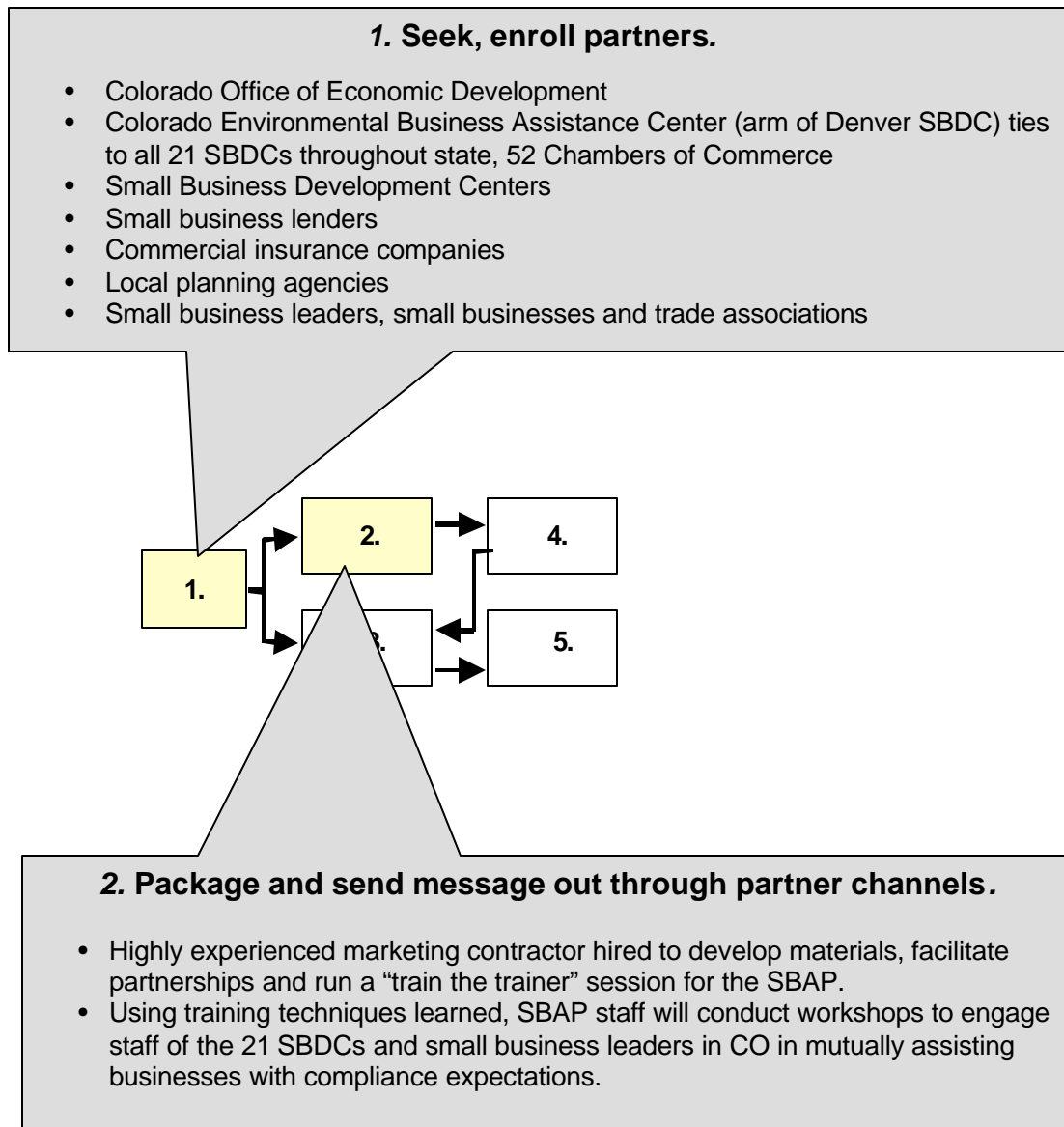
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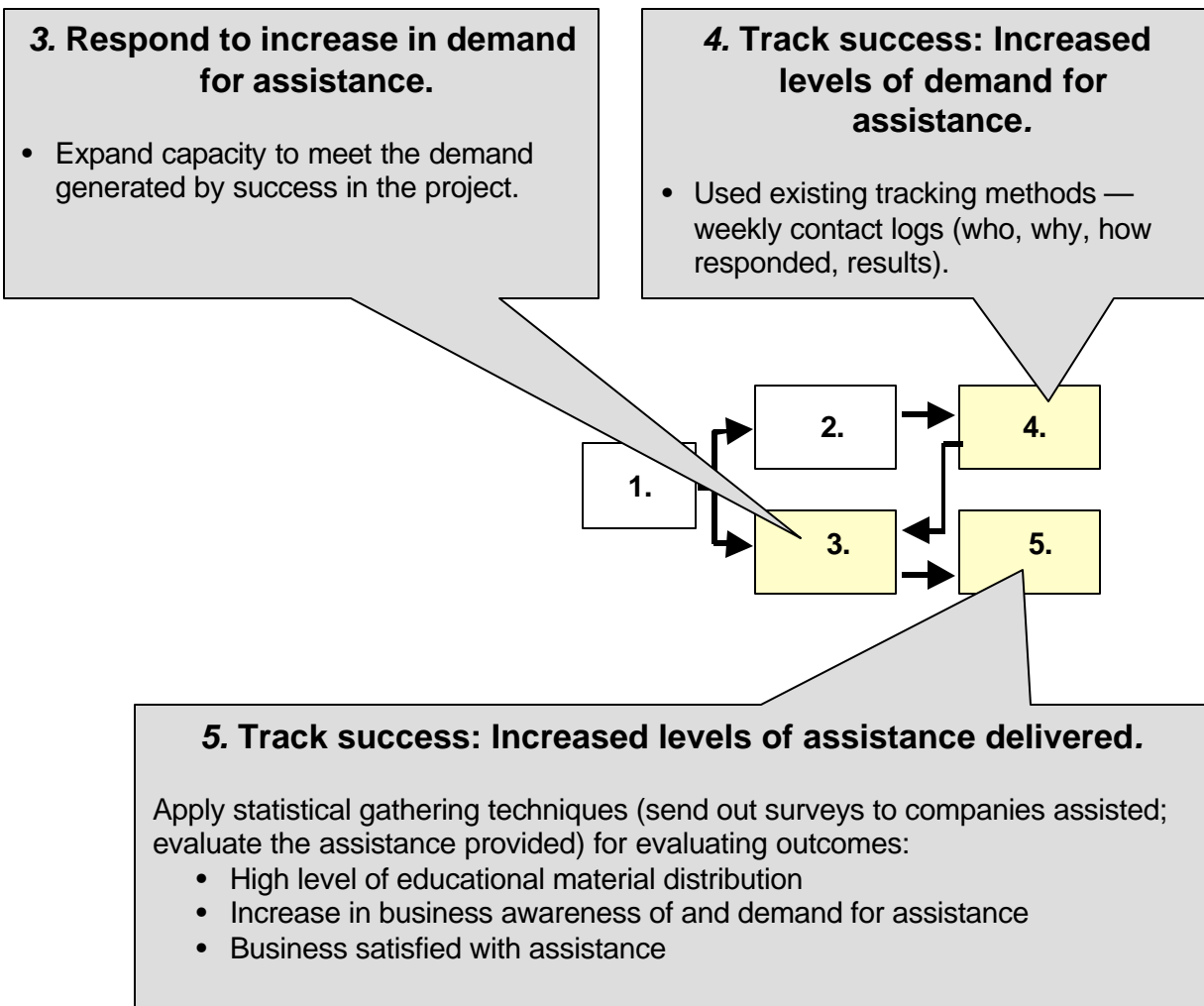


Type II: “Multiply demand and capacity for delivering assistance by forming partnerships.”
The approach can be described in terms of five steps.



The Five Steps Taken in the Colorado Project:





The Minnesota SBAP Project

Orchestrating Change: Bringing Environmental Assistance to Minnesota's Reinforced Fiber Plastics Industry

Moving an entire industry towards 100 percent compliance and low levels of pollution

By targeting a single industry sector and leveraging outside resources, the Minnesota Small Business Assistance Program (MN SBAP) is working to achieve lower levels of pollution in Minnesota's entire fiber reinforced plastics (FRP) industry.

With a grant from the EPA's Cooperative Agreements Program, MN SBAP has undertaken a systematic campaign to inform FRP businesses about old and new regulations, and opportunities to save costs and reduce pollution by incorporating new, less-polluting, more efficient materials and processes in their manufacturing operations. Targeted technical assistance is being provided by phone, site visits, newsletters, and web page, by compliance and pollution prevention experts where requested by small businesses. Included in the campaign have been "one-stop shopping" materials designed to make compliance with environmental regulations hassle free by providing all the information a business operator needs to know about applicable regulations.

Two key elements of the strategy are networking with other business assistance agencies — thereby expanding the campaign's impact and reach — and a high-visibility event dubbed "Demo Day," which happened on August 8, 2001. Demo Day brought the entire industry together to participate in hands-on workshops demonstrating the opportunities for cost savings and pollution reduction through the use of better technology, process, and materials.

The Minnesota Project At a Glance

- ! **What:** A two-year campaign that is providing every one of Minnesota's 120-130 fibreglass products manufacturers with "one-stop shopping" assistance enabling them to cut pollution, save money and comply with all environmental regulations.
- ! **Goals:** Reach 100 percent of businesses in the sector with information, phone assistance, "one stop shopping" environmental compliance packages and where requested, on-site assistance.
- ! **How:** Orchestrate a campaign using partnerships as channels for assistance that puts industry leaders, not "government regulators" up-front.
- ! **A major achievement to date:** In August 2001, the SBAP brought together 170 state and national industry leaders in a one-day event, "Demo Days," showcasing new technology that saves money and reduces pollution.
- ! **Benefits:** By using the new technology, businesses cut waste and pollution by as much as one-third and save money in the bargain. The SBAP's "one-stop shopping" compliance package and multi-tiered assistance services make environmental compliance hassle free.
- ! **Partners:** The national Composite Fabricators Association, SBDCs in Minnesota and seven surrounding states, equipment vendors, major material suppliers, the MnTAP program at the University of Minnesota and the reinforced composites program at Winona State University.

The campaign has already made a significant impact.

The FRP industry is a significant sector in Minnesota, with 120-130 businesses employing thousands of people producing boats, bath tubs, showers, and spas, tanks, truck covers, and other consumer and industrial products.

According to estimates prepared at the beginning of MN SBAP's campaign, the industry was also producing significant amounts of air pollution. For example, more than 1.6 million pounds per year of air toxics were emitted, including 1.27 million pounds of styrene.

Another significant amount of pollution was solid waste. That includes paint booth filters, paper coated with overspray, unusable polymerized gel coat and resin, old molds, trimming, cutting, and grinding waste, and off-spec parts. Much of this is hazardous — more than half a million pounds a year being flammable, toxic or otherwise potentially harmful to the environment.

Case studies are being performed during the campaign to show that by switching from high to low styrene content materials, and from atomized to non-atomized spray guns while incorporating best management practices, a business could reduce styrene emissions, solid waste and hazardous waste.

Midway through the campaign, by June 2001, the MN SBAP had registered a 13 percent increase in requests for assistance. It had provided information to 100 percent of the known businesses in the industry.

Creating a network of partners. The collaboration approach that the MN SBAP adopted for its campaign produced a significant asset that can be used in future efforts to reduce pollution in the FRP industry (see sidebar at right).

Reach and Impact

With only two staff assigned to the project, the Minnesota SBAP had its hands full providing assistance to an industry sector as diverse and relatively unknown as Minnesota's FRP businesses.

The MN SBAP found it could have an impact far beyond what it is able to achieve by itself, by hooking up with partners and delivering benefits including ways to deliver better services for their constituencies. EPA's Cooperative Agreement Program grant provided an opportunity to focus on developing a network to reach the FRP industry.

Here are some of the partnerships formed:

- ! **Vendors:** Reichhold, Interplastic, Eastman, HCl Composites, Glas-Craft...
- ! **Consultants:** Pinnacle Engineering, Composites One
- ! **Industry:** Phoenix Industries, Sunrise Fiberglass, Royaline, Sellner Manufac., Fiberglass Fabricators
- ! **EPA:** Keith Barnett, principal drafter of NESHAPs affecting this industry
- ! **Training Programs:** Winona State University COMTEC
- ! **Trade Associations:** Composites Fabricators Association
- ! **Other Service Providers:** Iowa Waste Reduction Center, SBAPs for WI, IL, OH, MI, IN, SD, and ND; Minnesota Technology, Inc., and Minnesota Technical Assistance Program (MnTAP).

Partners participated in one or more of the following activities:

- ! **Demo Days** – planning the event, moderating, presenting, or demonstrating at a session, hosting a booth, and promoting the event through post cards, and registration fliers, and press releases.
- ! **SBAP regional conference** – hosting site visits
- ! **Case Studies** – participating in personal exposure study or a case study.

Strategy: Focus on one industry.

For the MN SBAP, the Cooperative Agreement (“Million Dollar Grants”) program presented a great opportunity: tackle an entire industry segment, make a big impact and document the results.

The MN SBAP had been in operation for eight years. When the Cooperative Agreement Grant opportunity came up, the MN SBAP had just finished another “industry targeting” campaign, focusing on the automotive collision and mechanical repair industry. Charlie Kennedy, the program's Small Business Ombudsman, was convinced of the value of this sector strategy approach. "Sector focusing brings only the information the businesses need, making it more efficient and highly personalized, resulting in greater impact."

Minnesota is a big state, with thousands of businesses, and the MN SBAP had only two of its four full-time staff devoted to the FRP project. By targeting a single industry sector in a smart, quick campaign, Charlie felt that the SBAP could apply enough resources to really make a difference, then use that success as a platform to launch other campaigns.

Charlie's technical manager, Phyllis Strong was already part of SBAP. Phyllis had replaced Barb Loida one year into the CAG project. Phyllis had worked on industry-targeted campaigns before, including drycleaners, chromium electroplaters and anodizers, degreasers, and the automotive sector. She found with each successive campaign that the more you are able to tailor information to fit your audience the better service you can provide. She also found that if you collaborate effectively with partners you will make a greater impact and will get a better work product.

Phyllis had worked on industry-targeted campaigns before... She found with each successive campaign that the more you are able to tailor information to fit your audience the better service you can provide.

Measure the results. Charlie thought that being able to demonstrate success on a major assistance campaign with convincing numbers and powerful stories was important to the MN SBAP.

Like many of the Section 507 programs, Minnesota's SBAP is located in a larger state environmental regulatory agency, the Minnesota Pollution Control Agency (MPCA). From the beginning the effectiveness of the program's non-regulatory approach was challenged by staff in traditional enforcement programs who questioned the appropriateness and value of "assistance" as a strategy for regulatory compliance. SBAP staff felt that the grant project was an excellent opportunity to further demonstrate program effectiveness by documenting environmental gains that mirrored the central goals of the MPCA, in addition to serving the needs of the industry sector. Success would strengthen SBAP's stature and enhance the program's ability to secure more resources in the future.

In addition to recording compliance success and pollution reduction achievements, the MN SBAP staff felt there were other measures of success that were important. Past experience with other sector campaigns had proven the value of collaboration, of building partnerships that could multiply the impact of the SBAP. It was an easy decision to make collaboration with other players a major focus of the EPA Cooperative Agreement project.

The grant explicitly provided funding for evaluation and measurement, providing a big boost for efforts to document success. This was especially important considering the small budget the MN SBAP had

always operated under. Most of the time there was little time available to spend on evaluation. A plan was developed to apply some of the grant resources to capture data along the way that would enable the program to later describe each step of the process in both qualitative and quantitative terms.

Provide incentives. MN SBAP's strategy was powered by several significant incentives it had at its disposal for inducing businesses to change their practices.

- ! **Make compliance and good environmental practice hassle-free.** MN SBAP decided to develop a “one stop shopping” compliance materials package that offered comprehensive, information easy for businesses to apply. In addition there would be an as-needed newsletter aimed specifically at the FRP industry. For businesses that needed more individualized help, SBAP would offer phone advice and, for those who chose to accept, on-site compliance assistance.

MN SBAP decided to develop a “one stop shopping” compliance materials package that offered comprehensive, information easy for businesses to apply.

- ! **Small loans for financing the installation of environmentally-friendly equipment and processes.** The team linked with the MPCA's Small Business Environmental Improvement Loan Program and convinced its managers to set aside money specifically for equipment loans to FRP businesses. The low-interest loans would provide a means for businesses to achieve compliance through pollution reductions, and give the MN SBAP performance data relative to the effectiveness of the various equipment changes.

- ! **A one-year period of enforcement discretion.** Facilitated by past successes, the MN SBAP was able to negotiate an agreement with the MPCA's enforcement staff to allow enforcement staff to show discretion to FRP businesses who were cooperating in the assistance effort.

- ! **Good PR for business owners and managers.** SBAP's occasional newsletter would provide a platform for sharing knowledge, building non-threatening links, and for showcasing highlights of the effort like businesses that responded to the campaign and were incorporating pollution-reducing changes in their manufacturing processes. In phone interviews at the beginning of the project, the SBAP staff found that many FRP businesses were sympathetic to the idea of reducing pollution, yet the bottom-line demands of their businesses often obscured the financial, technical and practical benefits of making the operational changes being sought by the SBAP.

Find out who's out there: build an industry map. The FRP industry is an important business segment in Minnesota, with an estimated size of 160 to 170 businesses. Significant, yet small enough to be manageable as a target for a pollution-reduction campaign. The group undertook three activities to map this segment:

- ! Informal meetings with key industry contacts
- ! A phone survey of 38 FRP businesses
- ! Preparation of a mailing list of all the businesses in this sector

On-site assistance works!

On-site technical assistance is the most expensive form of assistance, but as the capstone of a multi-tiered assistance strategy (see graphic below) it offers a way of helping businesses that either because of size or industry influence have a big potential impact on the environment. Site visits also provide opportunities for a SBAP to gather detailed information that feeds back into better assistance tools at lower levels of the assistance strategy "pyramid."

MN SBAP has built data collection activities into the on-site assistance component of its Cooperative Agreement Grant project. The following conditions will be observed and measured:

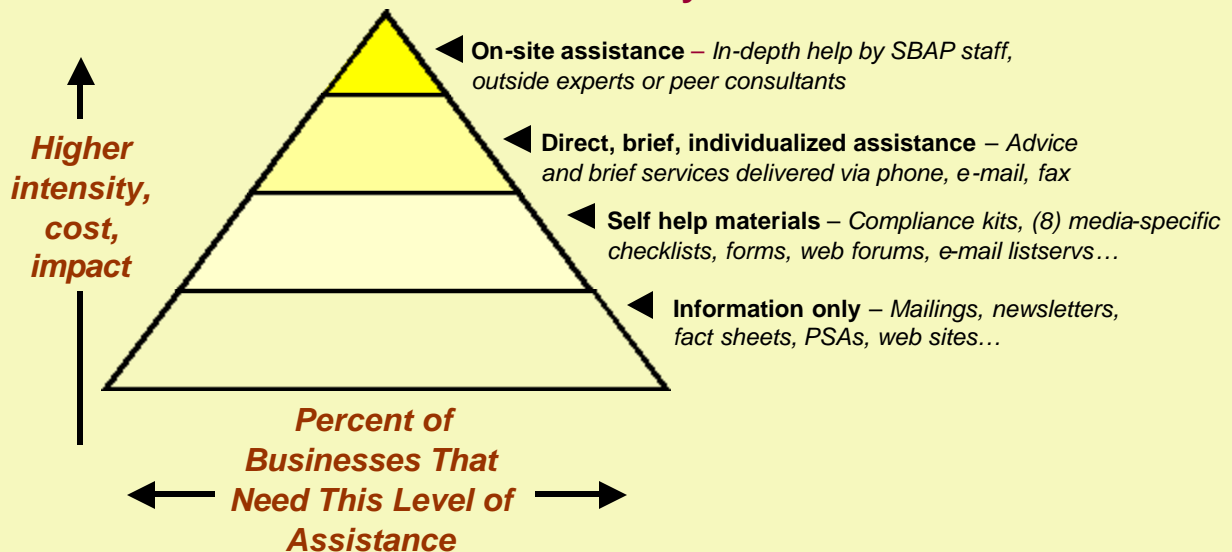
! Situations found on-site:

- " Out of compliance with one or more regs
- " Using outmoded, high-polluting equipment or processes
- " Using improper methods for handling toxics
- " Opportunities found for reducing costs

! Improvements made:

- " Company brought into compliance.
- " Management persuaded to change processes or materials that reduce the waste stream and/or cut pollution.
- " Company adopts correct toxics-handling procedures.
- " Steps taken that would reduce costs. (Average cost savings per business visited being measured.)

The MN SBAP Campaign Used a Strategic Mix of Assistance Methods to Maximize Efficiency.



Get their attention: stage a major industry event — “Demo Days.” The SBAP guessed that normal communication channels -- mailings, the newsletter, workshops, the web page -- would not be enough to focus significant attention on their campaign in the short time they had to carry it out. Small business operators are bombarded with mailings and newsletters, and few will take time out of their crowded schedules to attend workshops run by government agencies. So they came up with another idea.

“Demo Days” involved the entire FRP industry in Minnesota and beyond.

- ! It was a major event, co-sponsored by the SBAP and the industry itself, not just by a “government agency.”
- ! It offered a wide variety of attractions for inducing businesses to participate: vendor demonstrations, workshops, spray-training certification, and exhibits of non-atomized spray equipment and Resin Transfer Molding (RTM) and RTM Lite technology.
- ! It showcased environmentally friendly equipment, materials and practices. By reducing the waste stream, pollution-reducing processes save money on raw materials and hazardous waste disposal. By applying MN SBAP’s “one-stop shopping” materials, businesses would avoid compliance problems and focus on running a profitable operation.

“Demo Days” gives MN SBAP’s campaign a powerful punch

- ! **Goal:** Get the attention of busy executives in the FRP industry
- ! **Strategy:** Make it a major annual event sponsored by the industry itself, not by a government agency.
- ! **Attractions:** Displays of equipment, materials, innovations... workshops... demonstrations
- ! **Environmental hook:** Demonstrate environmentally friendly materials and processes... showcase cost savings... deliver compliance tools... develop relationships...
- ! **Results:**
 - " Nineteen percent of the FRP fabrication shops in Minnesota were represented.
 - " 170 compliance packages were distributed.
 - " People learned from people they trusted (industry, not government, sources).
 - " Timing was favorable — New NESHAP for boat manufacturers had just been finalized and a proposed NESHAP for FRP fabricators published for comment.

More than 170 people attended, including people from 23 Minnesota FRP fabricators (19 percent of the state’s total), 14 vendor companies, two industry trade associations, two trade publications, five trade schools, SBAPs from EPA Region V and three states outside the Region, and a variety of consultants and other small business assistance providers. Feedback from participants made it clear that this first-time-ever event was a major success!

Executing the Strategy:

Flexibility and persistence adds up to a winning effort.

With only two full-time-equivalent staff working on the project, the Minnesota SBAP had its hands full providing assistance to a somewhat reclusive, frequently diverse and generally reluctant industry sector.

From the onset, the Minnesota Cooperative Agreement project had an impressive strategy. The team had a big vision for what the project was about and what its impact on the SBAP’s future could be, yet they also knew that a project involving lots of partners is bound to encounter snags. They applied a combination of persistence and flexibility to convert obstacles to opportunities and keep the project moving toward its goal.

Flexibility. Perhaps the most important element in their strategy was to incorporate a "learning approach." Rather than simply marching through the steps outlined in the original grant proposal, Charlie and then-staff member Barb Loida began by setting up interviews with key people who could look at their plans and suggest improvements. Over a period of two months, they had meetings with key players within their own agency, with long-time partners like the Minnesota Technical Assistance Program (MnTAP) located at the University of Minnesota, with vendors, with business owners, with MPCA regulatory staff, and with MPCA senior managers. Those discussions led them to modify some things and drop others. They also led to new ideas that hadn't even been part of the original plan.

One example of something that came out of these discussions was the "Demo Days" idea, which quickly became the centerpiece of the whole FRP industry strategy, the thing that everything else fed into.

Persistence. Barb Loida, the original staff engineer, had from the onset been a key player in the project. When she announced six months into the project that she was leaving to take another job, Charlie knew that filling that gap was a critical management task that could make or break the project. Almost immediately the MN SBAP reassigned Phyllis Strong, a highly qualified member of the technical assistance team, to the Cooperative Agreement project. Phyllis quickly picked up the reins and kept the project on track with hardly a blip in the time line.

Results:

With only two people, the Minnesota SBAP is aiming to affect 100 percent of the target sector.

There are more than 180 businesses in Minnesota's FRP composites manufacturing industry, including 120-130 fabrication shops. Based on data collected by the project, the industry has a significant impact on the Minnesota environment.

- ! It produces more than 250 tons of hazardous solid waste annually, including toxics, flammables and other potentially harmful materials.
- ! It generates more than 800 tons of toxic emissions into the air, principally styrene, a hazardous substance.
- ! It discharges million gallons of wastewater to municipal sewage systems discharging into the Mississippi watershed.
- ! It produces tons of cleaning rags requiring disposal in toxic waste facilities.
- ! It disposes of thousands of fluorescent tubes annually, containing mercury.

The campaign is making a significant dent in this industry. The estimated impacts included the following:

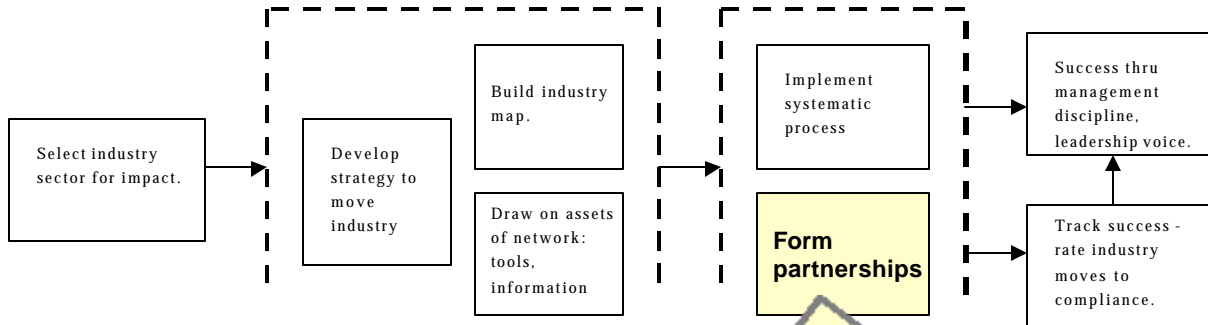
- ! **High industry penetration.** By June 2001, 100 percent of the FRP businesses in Minnesota were receiving regular information about the FRP campaign through mailings, the newsletter and/or the web site
- ! **High penetration of SBAP assistance.** By June 2001, over one-third of the businesses in the target sector obtained direct assistance from the project. These included:
 - " 34 percent receiving individualized, one-on-one assistance by phone, e-mail and/or fax.
 - " 3 percent receiving intensive assistance on-site.

- ! **Industry attention focused on pollution prevention through “Demonstration Days” event.** 54 people representing 19 percent of Minnesota’s FRP fabrication shops attended the event and were exposed to a wide range of information about pollution-reducing, cost-saving materials, equipment and processes. Another 116 people attended, representing vendors, consultants, trade groups, small business assistance providers and other industry participants.
- ! **New partners, a bigger network for delivering assistance.** More than 40 new partners were enrolled in SBAP’s work and mission, expanding the channels available for getting the word out about environmental compliance and pollution prevention.
- ! **The benefits of direct on-site assistance will be demonstrated.** Six businesses will be used as case studies for on-site assistance, with the following goals:
 - " Businesses with compliance problems are correcting them.
 - " Businesses with obsolete technology are reducing their pollution by as much as one-third.
 - " Those assisted are making changes that will save them money, and annual savings are being documented.

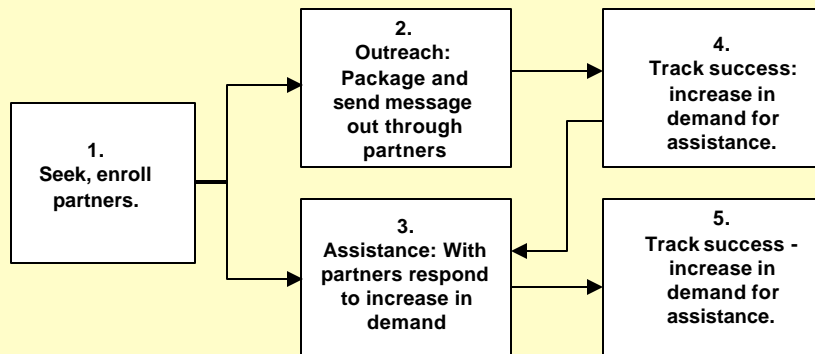
Minnesota is a “Type II” Project.

***Type II projects use partnerships
to multiply the demand and capacity for delivering assistance.***

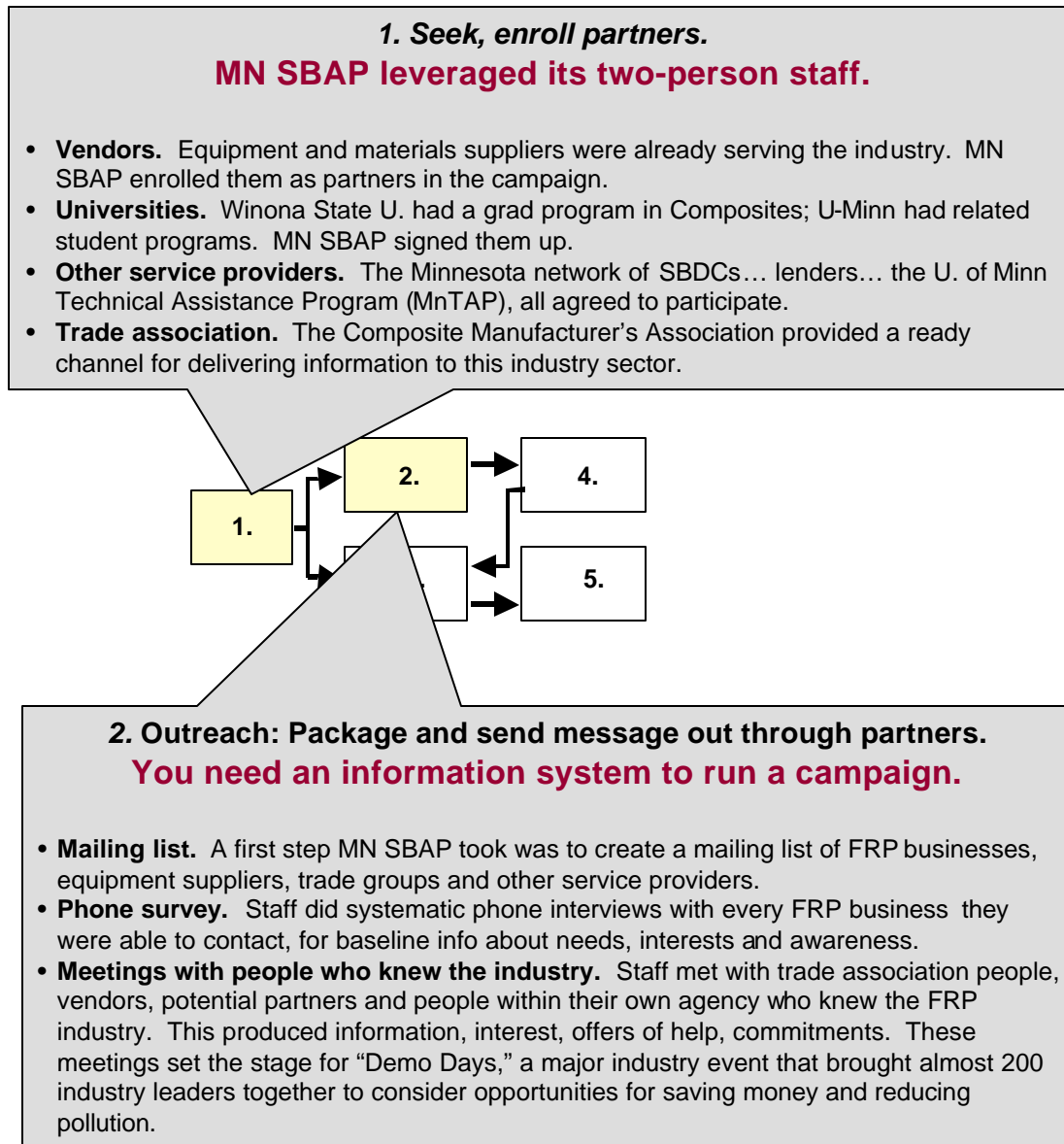
Type I: Manage an industry sector for full compliance, pollution free status.



Type II: “Multiply demand and capacity for delivering assistance by forming partnerships.”
The approach can be described in terms of five steps.



The Five Strategic Steps in the Minnesota Project:



3. With partners, respond to increase in demand.

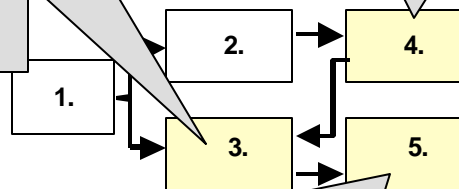
**Partners' Credibility
Links SBAP With Industry Leaders.**

- **MnTAP.** U-Minn's Technical Assistance Program is well-established in this industry as a source of help. SBAP is referring businesses to MnTAP experts for technical assistance.
- **Industry.** Materials suppliers, consultants, the national trade association and equipment vendors spread the word, helped SBAP turn out almost 200 industry leaders for "Demo Days" event.
- **SBAP** is responding to requests for information, "one-stop shopping" compliance packages & phone assistance.

4. Track success: Increase in demand for assistance.

**Industry Response is
Being Measured.**

- **Assistance logs** are being used to track requests for assistance from this sector by type of request.
- **Increase in number of requests** from this sector will show impact of campaign.



5. Track success: Increase in levels of assistance delivered.

**The Project's "Story"
Is Being Captured From Beginning to End.**

- **Pre-intervention survey.** Phone interviews were done at the project's beginning to measure businesses' knowledge of SBAP, perceived needs for assistance and other "pre-intervention" conditions in the target industry.
- **Post- survey.** Interviews will be carried out at the end of the project to measure changes in business perceptions and steps taken in response to the campaign.
- **Case studies of six businesses.** Site visits by MnTAP provide opportunities to measure and document in detail the conditions found on site, opportunities for reducing pollution and cost savings generated by the assistance being provided.
- **Activities, outcomes, impacts.** Detailed tracking records are being kept throughout the project.

The New Jersey State SBAP Project.

**Growing The Capacity To Reach
Small Businesses Through Partner Organizations.**

100X: Each partner means access to 100 small businesses

**A high impact, outreach
program built on a network of
partner organizations.**

The New Jersey State Small Business Assistance Program is organizing partner organizations to market the assistance program to small businesses. These “marketing partners” together form a living network through which “outreach” is carried out. This partnership network dramatically extends the reach and impact of the two person SBeAP.

The outreach to small businesses is intended to increase understanding of environmental responsibilities and awareness of the assistance available. It is expected to increase requests for assistance. Outreach is delivered through a variety of venues: seminars and workshops, video, public service announcements, mailings, brochures, ads in trade publications, ... Assistance is given by phone and in workshops and seminars. Very little on-site assistance is provided.

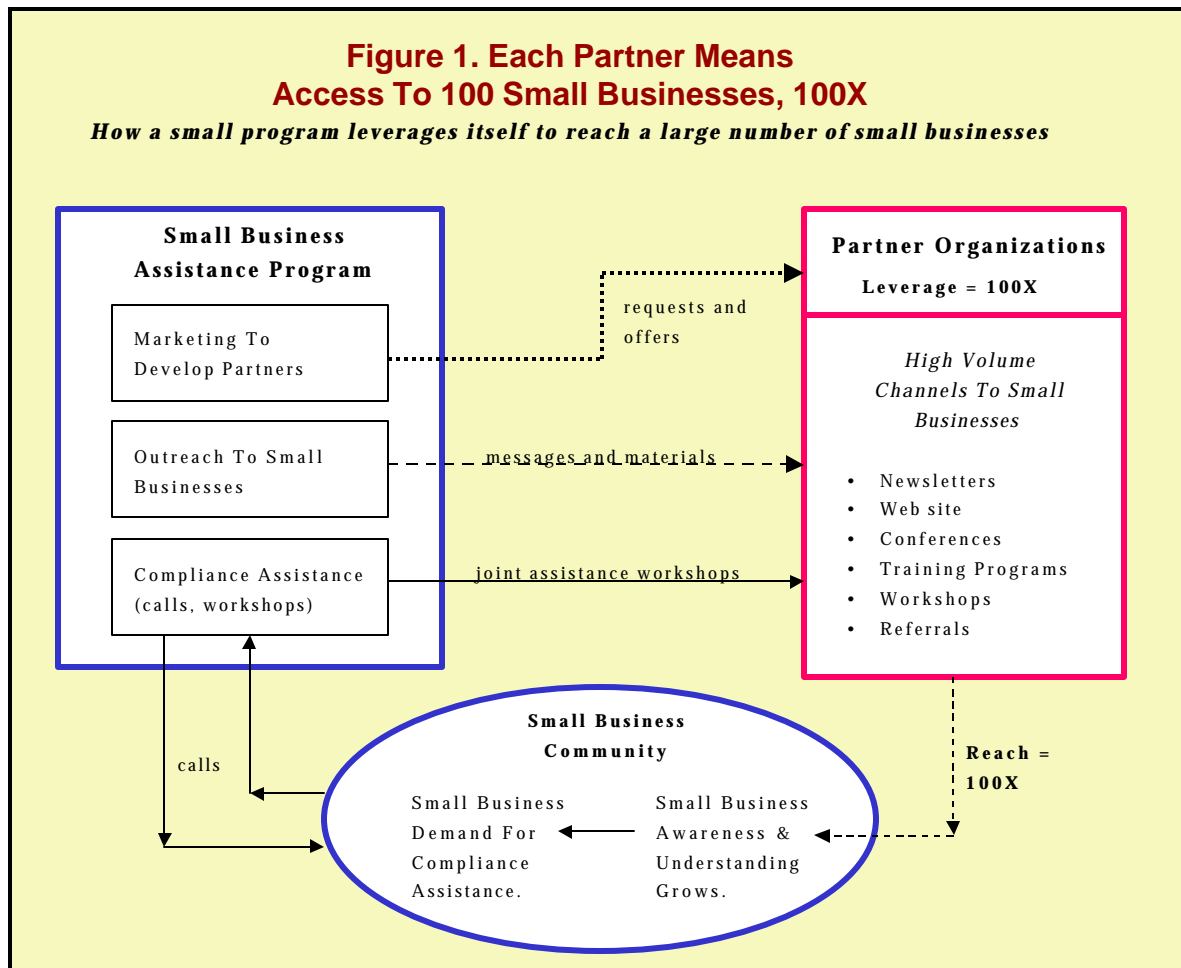
**Partners do outreach for the program
through their existing channels.**

- ! One new partner, 600 more businesses per year.** The Entrepreneurial Training Institute, ETI, works with start-ups and helps them put business plans together. A SBeAP team member told the Institute's director that regulatory compliance should be a chapter in most company business plans. She loved it and asked the team to come and give a talk. She works with 50 businesses a month ... 600 a year! In her planning method she now addresses regulations. The team gave her brochures to send out. “It is exciting when organizations like ETI step up.” Because of this contact the team got over 10 calls the following week, businesses asking for help.
- ! 16,000 people hear about workshop.** The SBeAP jointly with the New Jersey Business and Industry Association (NJBIA) presented a workshop to over 150 small businesses on “how to Comply with State Environmental Regulations”. The NJBIA mailed notices of the workshop to all of its 16,000 members.
- ! 3,500 Business Expo participants.** The SBeAP exhibited with a booth at the South Jersey Chamber of Commerce's Business Expo 2000 that had an attendance of over 3,500 participants, mostly small businesses.

This strategy leverages a small staff program into high performance as illustrated in Figure 1. The SBeAP is defined by:

- **High outreach capacity:** the number of partners participating in outreach is on the order of 400 and continuously grows as shown in Figure 2.
- **Great customer reach:** large number of businesses is engaged each year as shown in Table 1.
- **High demand for assistance:** a large number of businesses are given compliance assistance (telephone calls, web hits, referrals), as shown in Figure 3.

Highly leveraged outreach has been the centerpiece of the New Jersey SBeAP since 1992. The partner network is developed and maintained as a program capacity to market and deliver assistance.



Development of “marketing partners” is the core competency of the New Jersey program.

The SBeAP team was composed of Chuck McCarty (SBeAP, New Jersey Department of Environmental Protection) and Lauren Moore (Ombudsman, New Jersey Commerce). Near the end Ky Asral joined the team and Lauren Moore left.

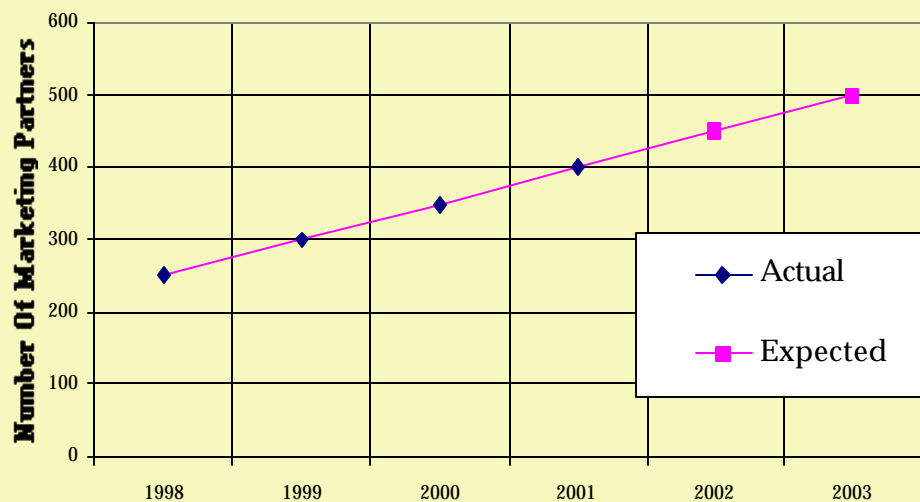
The team sees itself leveraging other organizations’ channels, events, and resources. “Everything I do is in cooperation with someone else.” (Chuck McCarty) They create a network of partner organizations committed to increasing awareness and

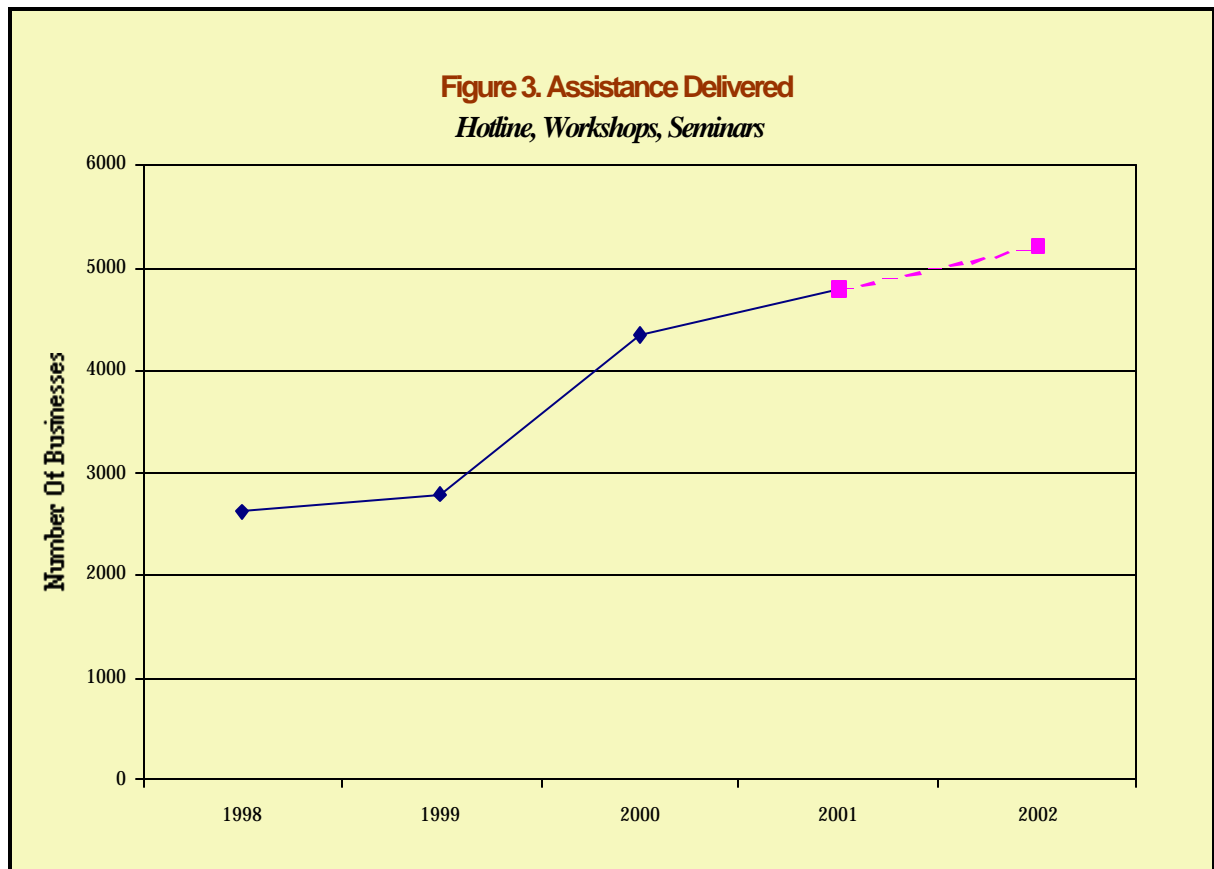
Table 1. New Jersey’s Total Businesses Reached, As Reported To Congress

	1998	1999	2000
Total Businesses Reached	33,184	31,328	35,869
By Assistance Type			
Hotline	935	1,478	1,927
On-site Visits	2	-	39
Workshops/Seminars	1,682	1,307	2,410
Publications	1,000	600	3,800
Homepage	1,218	2,090	4,035
Teleconference	50	-	10
Mailings	28,199	25,839	25,948
Other	95	26	300

Figure 2
Results of Effort To Develop Partner Network

"Each Partner Means Access To 100 Small Businesses"





understanding of regulatory requirements and compliance assistance.

The team sees itself committed to leading a large scale marketing and public relations operation. The strategic work is the development of “internal” and “external” marketing partners.

“Internal” marketing partners are units and staff within the state environmental and business development agencies. The two primary targets are: the departments of the New Jersey Commerce and Economic Growth Commission (125 employees) and the operating units of the Department of Environmental Protection (2000 employees).

“External” marketing partners are public, private and not-for-profit organizations that work with small businesses. These are organizations outside the State regulatory structure. The power of the strategy is in the broad range and large number of potential partners. It ranges from public organizations, such as Chamber of Commerce, Small Business Development Centers, Colleges, Planning and Zoning Boards, Small Business Administration..., to the private sector, such as supply distributors and dealers, Trade Associations, utilities, ... The possibilities are vast.

The team develops partners in two ways. One is to target the “big fish.” For example the ten

Small Business Development Centers across the state. We partner with them on workshops, and they market us. The other is to consider every meeting, every encounter an opportunity to find a new partner.

Both internal and external partners are expected to distribute outreach material and refer small businesses to the SBeAP's services. With this strategy, the team of two now has a small army of informed and committed people spreading the word. They estimate there are up to 400 partners on the mailing list.

Effectiveness requires quality message material. Since 1992 the team has been developing partners. However they felt that they were not able to take full advantage of the partnerships because they did not have materials available for distribution by the partner. It was like having artillery but no shells. The cooperative agreement under the 1999 "million dollar grant program," gave them the resources they needed to develop materials. They used the \$84,000 award to develop "collateral material" (supporting, reinforcing), "promotional material" and "educational material" that would arm their partners.

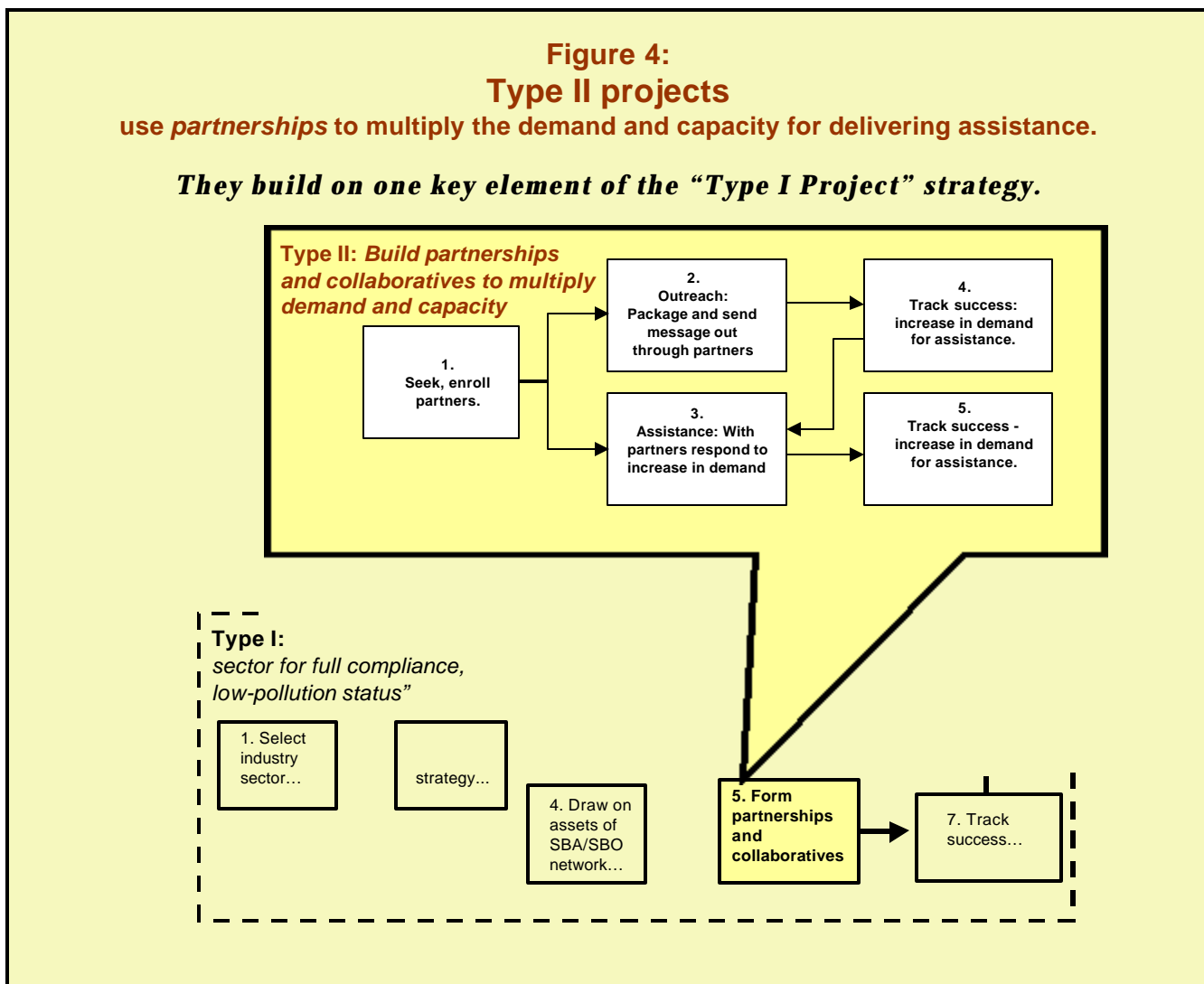
**Partners open up
unique opportunities
for service and innovation.**

! "NJ Commerce is about attracting and retaining businesses." The New Jersey Commerce and Economic Growth Commission (NJ Commerce) "wants out-of-state businesses to relocate here and stay. That often involves a lot of environmental issues. They need SBeAP to sort them out. The Office of Business Advocate helps businesses navigate through the regulatory process. For example the Office had an oil recycling company that needed an air quality permit. I identified what they needed and provided written guidance regarding the needed permit."

! Financing improvements is a challenge for small businesses. It is possible that banks could help fill a gap in the program by providing loan money to assist small businesses meet the cost of compliance. The cost often stops them. Relationships with banks are possible. Banks could refer businesses to the SBeAP. A bank has done that. They were giving a businessman a loan and they asked SBeAP to help him with permits. The SBeAP has developed a partnership with NJ Commerce's Office of Sustainable Businesses to promote its loan program to various small business trade associations.

Examples of the materials developed during 2000 were:

- Production of an educational video (seven minutes) that can be used at staff meetings, conferences, workshops. It describes the state regulatory requirements and the assistance program with testimonials from clients.
- Production of public service announcements for radio
- Informational "how to" guides for specific businesses.
- Video and audiotapes for distribution.
- Brochures.
- Trade Journal Ads.
- Non-English promotional materials such as Korean Calendars for 1200 Korean dry cleaners

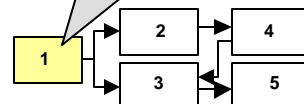


- Logo and banner for display at meetings.
- Collateral material: pens, magnets, cups, Rolodex cards...

These materials are tools for the team that leads to a more efficient and effective use of their time. The flow of information out through the partners increases dramatically. The materials give credibility. “We now look like a company, we look serious.” The team used the materials to establish the compliance assistance “brand” identity in New Jersey.

1. Seek & Enroll Partners

- **Every meeting, every event is an opportunity** to sign up new partners, to re-establish old partnerships.
- **Continuous partner education and re-education** is needed as time and turnover weaken relationships.
- **400 active partners** currently enrolled; NJ is always seeking to add new partners each month.



Partnership Development is a discipline and an attitude. The team describes it's approach as a mission: "When ever I go to a meeting I stop and think: who is here that I can sign up? I walk into a meeting now and immediately I am assessing how can I get them to be a partner." The team sees itself with value to add: "I have something to offer. They hate regulations ... but I love ferreting out these rules and procedures... so I will do it for them." The team is always ready to enter into partnership: "If I hear them talk of 'mailing' or 'meeting' I say wow and head right for them. I want to piggy back on their work."

The regulatory environment creates a new market place for assistance.

The team sees itself as providing an important state service. "We make it easy to work with the complicated issue of environmental compliance in New Jersey. That's attractive to business." Regulation has created a new market place. "We have something to barter -- how to get them through the regulatory process! We have expertise to offer and leverage.

Environmental issues intimidate. The small businesses are scared by the expense, by the nature of regulation. Human nature is that they rather ignore it than be pro-active. So it's hard to get customers stepping forward for assistance. That creates an opportunity. I have things to offer. I can make it accessible, speed it up, reduce the turn around, .."

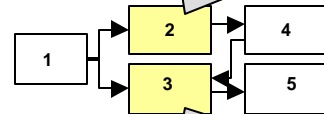
It's management by Rolodex.

Creating an outreach network is about contacts and contacting people. The team uses simple manual information systems to run their marketing and public relations efforts. "I keep a daily log of phone calls I receive from small business. I keep a hand written journal of what I do. It's all in a three ring binder for quarterly reports. I keep track of partners. The partners are people

2. Outreach:

Package And Send Messages Out Through Partners

- **Educational video developed.** Generic in content, seven minutes long, with testimonials. Over 200 sent to radio, TV stations and trade associations and other external partners. Video sent through USEPA to other state programs.
- **PSA (video and audio) developed.**
- **Compliance assistance calendar** for dry cleaners prepared and 2,000 distributed through association.
- **Brochure developed and printed.** First printing of 5,000, and second printing of 10,000.
- **Materials (pens, magnets, cups...)** and brochures distributed through partners



3. Assistance: With Partners Respond To Increase In Demand For Assistance

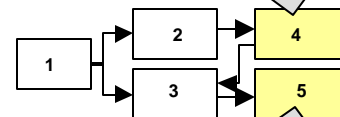
- **Join with partners** in delivering seminars and workshops.
- **Participate in events:** Team does about 2-4 workshops/seminars/presentations per month.

I keep in contact with. I have their numbers. If there is a fire there are three things I would grab – the two Rolodexes, the journal and the business card note book. This is my work. I'd grab these before I'd grab money or clothes. I could do this work from home ... its all contacts and contacting."

Partnership development is a long, never ending process. Building relationships is a way of working, and a full time job. The team sees itself as maintaining real relationships that make a network useful. "Relationships take years to develop. It won't happen over night. It takes more than several years... It's not just arranging workshops and mailings. You want associations to advocate, to encourage members to participate. You have to be there with them." It's important to understand the changing nature of such networks. "We are always re-educating as players change. The network is dynamic. You have to refresh, handle turnover, re-energize."

4. Track Success: *Large Number Of Businesses Reached, High Demand For Assistance.*

- **High volume of materials** distributed through partners.
- **Partner requests** -- seminars and workshops for clients, membership.



5. Track Success: *High Levels Of Assistance Provided*

- **Trend in calls** from small business for assistance is up.
- **Trend in referrals of small businesses for assistance** is up.
- **Customer satisfaction** spreads by word of mouth. Credibility increases. Demand increases.

Finding partners by contact and word of mouth.

Action sells. County health departments do inspections under contract with DEP. They are now also doing out reach for SBeAP and making referrals. As the team provides assistance to the small business referred by the counties, the word spreads. One county official tells another.

Grasp the moment. The SBeAP made a presentation to the Bayonne Chamber Of Commerce. The team has not encountered them before. The team told them about the program and they agreed to help. They were given 100 brochures to mail to the members and other local organizations that were not able to attend their regular meeting.

Every meeting an opportunity to enroll people. The SBeAP gave a talk to Prosperity New Jersey. There were 70 small businesses in the room. "Now the organization is putting our brochure in their mailings."

Marketing the program is about repetition and reminders. “We have to repeat the message and leave reminders.” The team wants to make it easy for small businesses to be in compliance, and easy to get help to do it. “When a problem comes up we want the small business to think of us, to be able to find our telephone number, to be able to get referred to us by a partner. We need to leave accessible materials with our numbers, our message. We have to refresh our contacts. We have to keep repeating, reinforcing the message so it is not forgotten. Memories are short. People are busy. Repeat, repeat, repeat...”

Partnerships bring leverage, credibility and trust. A partner brings instant trust and credibility with the small business community. The small business customers see the SBeAP as an extension of organizations they trust and believe in. Each partner represents (on average) access to 100 small businesses. By building the network the SBeAP is creating a valuable asset for compliance assistance. It’s an asset that would take hundreds of thousands of dollars to create through other means such as statewide advertising campaigns.

**The Six Touchstones
Of New Jersey's
100X "Partnership" Model**

- 1. Every event, every day is an opportunity** to find a partner.
- 2. Contact partners and secure commitments ...** do every thing *with* some one.
- 3. Acquire great message material ...** arm and deploy your partners with it.
- 4. They know our number ...** leave a material and message trail through out the state.
- 5. Repeat, refresh, and remind. ...** people move on, memories fade, things change

The Kansas SBAP Project

Moving the Printing Industry Toward Full-Compliance, Pollution-Free Status

Moving an industry toward full-compliance, pollution prevention programs.

The small business environmental assistance program (SBEAP) of the Kansas Pollution Prevention Institute is launching a campaign that, by the end of its first phase in [June 2002], will communicate all environmental compliance requirements to 100 percent of the 900 member Kansas printing industry.

The methods and partnerships developed during the first phase will ultimately be used to expand the campaign to enlist 100 percent of the industry in full compliance, pollution prevention programs to minimize all environmental impacts from printers.

The goals of the campaign are:

- ! To make 100 percent of Kansas printing companies aware of the full set of environmental regulations applicable to their industry and what they need to do to be in full compliance with them.
- ! To make 100 percent of the Kansas companies aware of the small business assistance networks available to them and how to obtain the guidance and information they need to be in full compliance.
- ! To increase the monthly assistance requests from printers received by the SBEAP by ten percent.

Assets of the Kansas SBAP and Its Partners Will Be Leveraged.

- ! **Reputation of the Pollution Prevention Institute.** PPI has worked with the printing industry on several projects in the past and has credibility, expertise and a reputation that supports industry acceptance of the campaign.
- ! **Access to benchmarking models and people.** The SBEAP has an existing printer's assistance program underway, providing access to high-performing model companies and relationships with trade professionals.
- ! **Communication channels.** Two publications, Kansas Airlines and P2Xchange for Printers, provide 100 percent coverage of the printing industry. The Kansas Department of Health and Environment (KDHE) has a "P2 Awards" program providing a ready channel for promoting businesses' success when opportunities arise.
- ! **Partnerships with trade groups.** PPI has partnered in the past with the Printing Industry Association, the national Screenprinting and Graphic Imaging Association, the Graphic Arts Technical Foundation, local ink manufacturers and other suppliers.
- ! **Relationships with other small business assistance providers.** These include the small business development centers (SBDCs), Kansas Mid America Manufacturing Technology Center (MAMTC), and the SBA's which deal with companies in various stages of startup and development that need to consider/include environmental compliance and P2.

- ! To bring 100 percent of printing businesses into a pollution prevention program and full-compliance status over a five year industry focus program.
- ! To engage enough businesses in the campaign to achieve the goal of 25 percent of the industry in full compliance by June 2002.

- ! To build a collaborative network of public and private organizations delivering outreach and assistance needed to bring the entire printing industry into this improved environmental status. The following the following organizations have offered their support of this project:

- " Printing Industries of America (PIA), Heartland Chapter
- " Printers National Environmental Assistance Center, PNEAC
- " Graphic Arts Technical Foundation, GATF, Gary Jones
- " Screenprinting and Graphic Imaging Association, Marci Kinter
- " Flexographic Technical Association, Doreen Monteleone
- " Kansas Department of Human Resources (OSHA assistance program)
- " Kansas Department of Health and Environment, Inspector Field Officers, and Office of Pollution Prevention
- " Mid-America Manufacturing Technology Center

The goals of the campaign [include bringing]... 100 percent of printing businesses into a pollution prevention program and full-compliance status over a five year industry focus program.

Each of these partners will contribute to one or more of the following activities to promote this project:

- " Provide Kansas industry membership contacts
- " Provide recommendations to SBEAP technical assistance staff
- " Provide speakers or act as promotional sponsors for the project workshops
- " Provide professional document critiques for compliance assistance manual, P2 assessment forms, and other technical materials developed
- " Provide local advertising and support for program
- " Provide state-specific compliance information
- " Provide refreshments and lunches for workshop participants

Air, water, and land pollution is associated with the printing industry in general.

The industry has three types of impacts on the environment:

- ! **Air pollution** from inks and solvents used in ink and in cleaning operations, including toluene and other volatile oxygen compounds (VOCs).
- ! **Water pollution** -- silver-rich wastewater streams from pre-press photographic operations and ink-laden waste water from screen cleaning operations
- ! **Hazardous wastes**, primarily from solvent cleaners, fixer solutions, and cleaning rags used in pre-press and press cleaning operations.

One of the goals of the project will be to gather the data needed to estimate a baseline of the total impact of these pollution sources and to document the reductions in environmental impact possible through use of compliance achievement, pollution prevention, and best management practices.

The SBEAP will deliver state-of-the-art pollution prevention (P2) technical information to printers in three workshops around the state. On site, P2 assessments will be offered as follow-up opportunities for individual, detailed, technical assistance to help them quantify the amount of pollution they generate and to implement recommended P2 practices. This information will be used to extrapolate reduction in environmental impacts that could be achieved by expanding the campaign to the state's entire printing industry.

Assets of the SBAP and its partners will be leveraged to expand the campaign's reach and impact.

- ! **Reputation of the Pollution Prevention Institute.** PPI has worked with the printing industry on several projects in the past and has credibility, expertise and a reputation that supports industry acceptance of the campaign.
- ! **Access to benchmarking models and people.** The SBEAP has an existing printer's assistance program underway, providing access to high-performing model companies and relationships with trade professionals highly respected by printers on a national level. These influential contacts will be used to gain industry "buy-in" from Kansas's printers to guarantee workshop success.
- ! **Communication channels.** Two publications, Kansas Airlines and P2Xchange for Printers, provide 100 percent coverage of the printing industry for distributing information about the campaign and showcasing "model" companies and pollution-prevention practices. The Kansas Department of Health and Environment (KDHE) has a "P2 Awards" program providing a ready channel for promoting businesses' success when opportunities arise.
- ! **Partnerships with trade groups.** PPI has partnered in the past with the Printing Industry Association, the national Screenprinting and Graphic Imaging Association, the Graphic Arts Technical Foundation, local ink manufacturers and other suppliers with national recognition to promote this assistance effort. All of these industry organizations have pledged participation and support of the project.
- ! **Relationships with other small business assistance providers.** These include the small business development centers (SBDCs), Kansas Mid America Manufacturing Technology Center (MAMTC), and the SBA's which deal with companies in various stages of startup and development that need to consider/include environmental compliance and P2.

Tools will be developed for bringing companies into full compliance, pollution prevention programs.

Printing industry environmental managers are usually required to wear more than one hat to best serve their companies. In many small print shops, the environmental professional doesn't have a formal background in environmental management and consequently has "gaps" in their expertise to meet and

comply with all of the environmental regulations that affect their operations. Industry surveys have shown that most environmental managers prefer "one-stop" workshops that allow them to get all the environmental information they need in one place. This project will develop the following tools to satisfy the "one-stop" needs of environmental professionals in the printing industry:

- ! An "Everything You Need to Know to Be in Compliance" self-help manual (multi-media) for use by the printing industry environmental managers to determine compliance with hazardous waste, air, water, and emergency reporting requirements.
- ! A workshop design for delivering comprehensive pollution-prevention and compliance information to the printing industry.
- ! Pollution prevention on-site assessment forms, best management practices guidance documents and fact sheets that address the most common environmental concerns for printers such as rag management, blanket and screen wash alternatives, and paper and ink wastes.

Several results will be tracked.

1. Number of Printing Businesses Provided with information tracked from 1995 to 2002 (will track program outreach effectiveness) - see Figure 1.
2. Number of Environmental Hotline assistance calls from printers from 1995 to 2002 (outreach effectiveness) - see Figure 2.
3. Number of calls by media to track requests for information concerning Hazardous Waste, Air, Water, or other regulation (will track where printers need the most assistance) - see Figure 3.

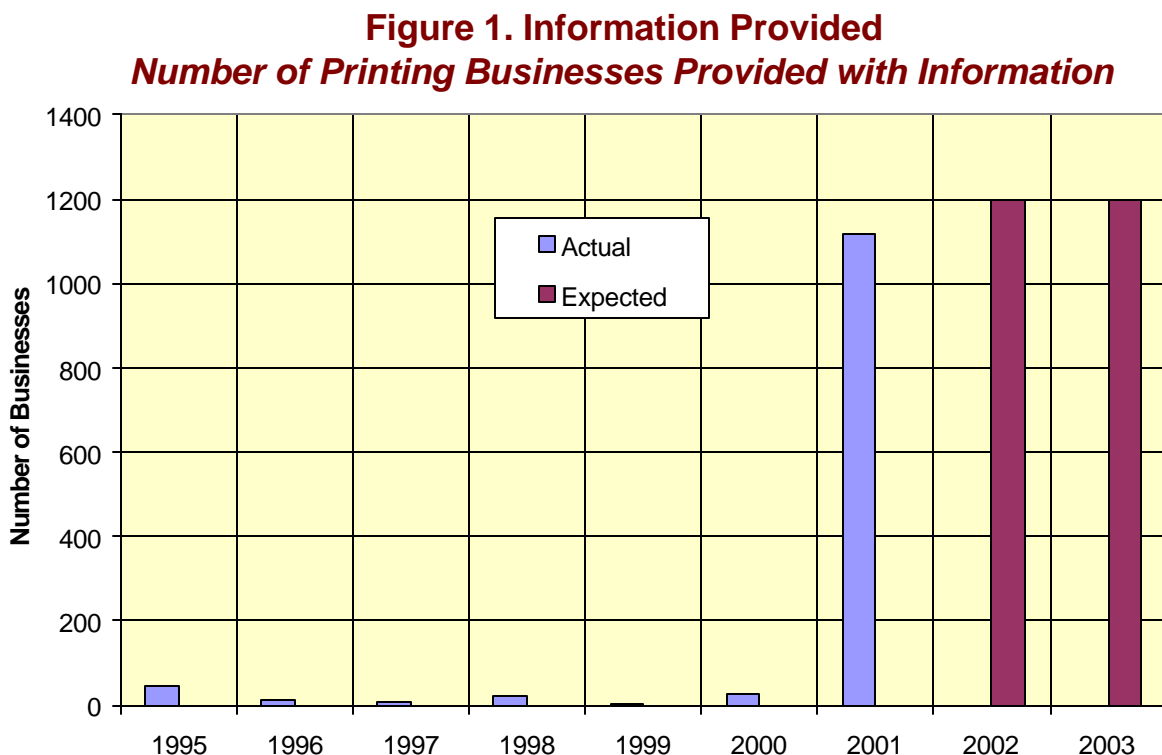


Figure 2. Hotline Calls
Number of Assistance Calls From Printers

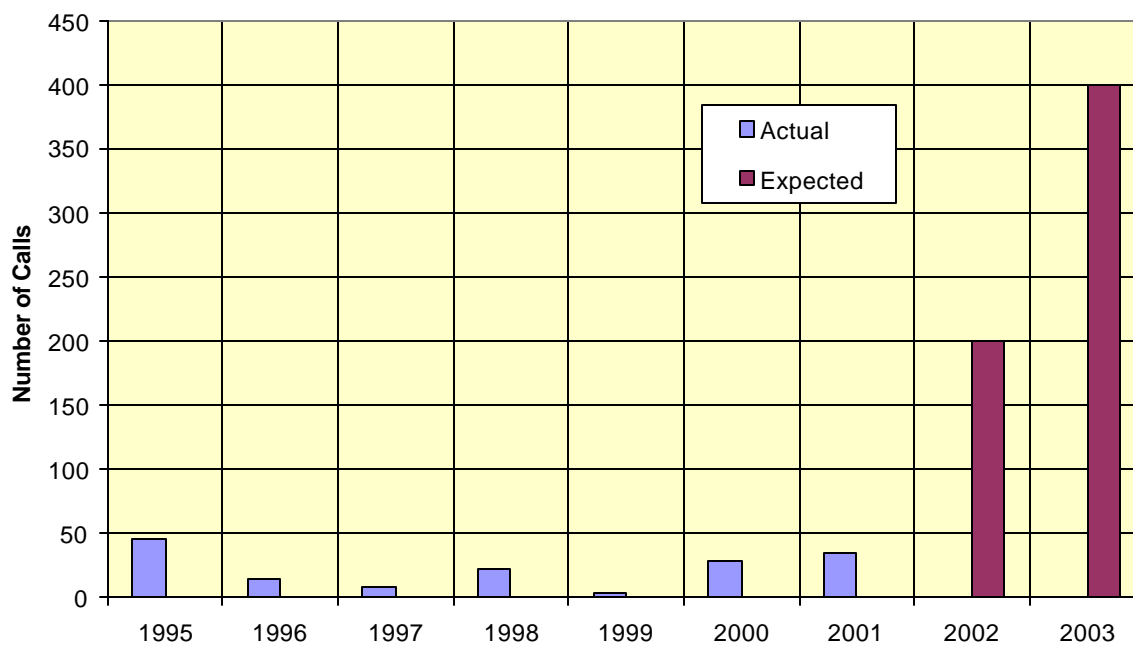
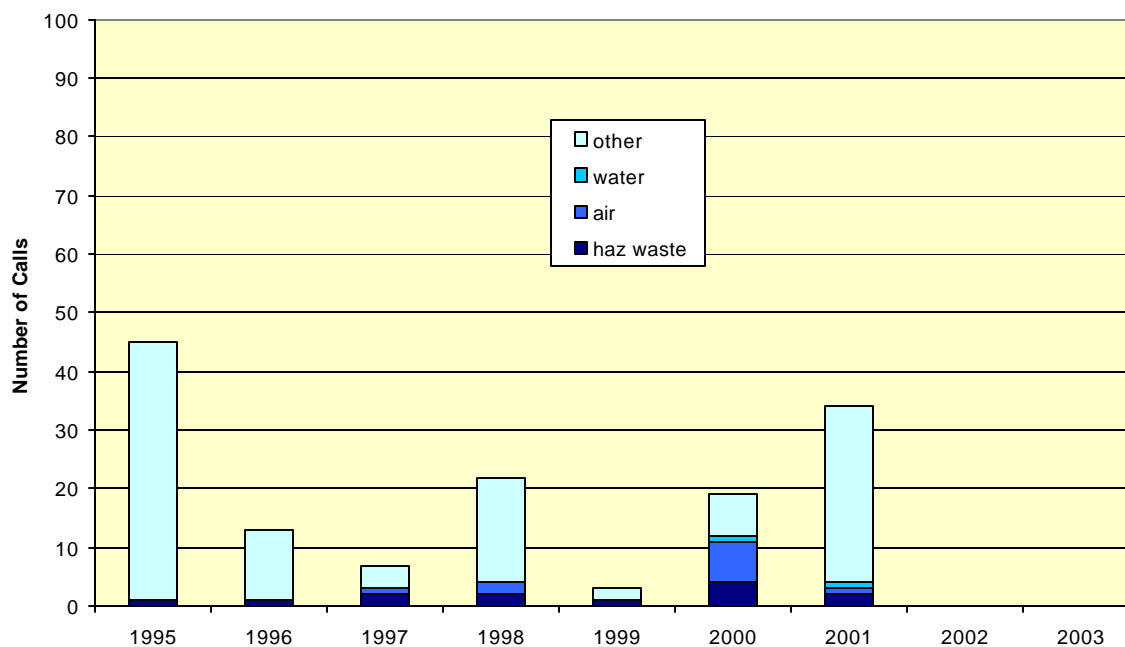


Figure 3. Number of Hotline Calls By Media



Montana SBAP Project:
***Mapping the Needs of Small Businesses
for Environmental Assistance in Rural Montana***

Assessing the needs of businesses in rural communities

The Montana small business environmental assistance program (SBeAP) is carrying out a “market” analysis as a demonstration project under the EPA’s Cooperative Agreement Grant program. The analysis will dramatically improve the SBeAP’s capacity to deliver environmental assistance throughout the state. The SBeAP will focus especially on assessing businesses’ needs in small communities in Montana’s “Hi-line” (Northern) region and in Eastern Montana, both of which have historically been difficult to serve because of their distance from urban centers in Central and Western Montana.

A second phase of the project will test different methods for providing outreach to businesses in these hard-to-serve areas. A key goal is to test a “partnership” strategy that taps into business assistance networks already in place to expand the reach and impact of the SBeAP into rural areas of the state.

For example, local chambers of commerce, small business development centers (SBDCs), county pollution prevention agencies and state agencies like the Montana Department of Labor and Industry are already assisting small businesses on a wide range of business and regulatory issues. The SBeAP will seek opportunities to partner with these agencies to expand access to environmental information and assistance, thereby reducing pollution and lowering the burden of environmental compliance for small businesses.

In addition to producing a road map for rural outreach, the SBeAP project will measure the effectiveness of the tools being developed in the campaign. This information will help SBAPs in other states in applying these tools to improve their assistance in rural communities. Many state SBAP programs have small staffs and share the problem of how to reach out to small businesses in communities far from their urban centers. The project leaders are hoping that the market research tools and outreach methods developed in the Montana project will dramatically improve assistance throughout the nation.

***Phase One Focus Group Results:
Eight Success Factors
For Delivering Assistance in Montana***

1. Keep information simple, concise, and practical.
2. Be industry-specific.
3. Communicate with Montana businesses primarily through direct mail.
4. Form a partnership with Montana businesses.
5. Respect businesspeople’s time constraints.
6. Schedule during “slow” seasons.
7. Keep personal visits non-intimidating.
8. Build relationships.

The Project Is Being Conducted in Two Phases.

Phase I (FY2001). The SBAP contracted with an outside marketing firm to conduct phone surveys and focus groups. In this process, special emphasis was placed on assistance offered to Montana's rural communities, particularly those communities that are a great distance from Helena including the Highline (Havre to Malta) and Eastern Montana (Miles City to Sidney). Additionally, for comparison purposes, data was collected from Billings and Great Falls businesses.

The purpose of gathering this information was threefold: 1) to determine small business perceptions of both DEQ and other small business services providers (MSU P2, MT Dept. of Labor and Industry, Small Business Development Centers, County Programs, etc.); 2) to establish the needs of small businesses in the targeted areas, emphasizing environmental needs and other small business issues; and 3) to ascertain the best methods for servicing small business needs.

Phase II (FY2002). From the information gathered in Phase I, the SBAP formulated a three level approach to improving the effectiveness of assistance offered. Additionally, the survey and focus groups "drove home" the fact that the SBAP must partner with other small business providers to provide the best service possible.

Level 1 - Build Awareness

- ! Provide businesses with environmental information that is concise, user-friendly, and industry specific (newsletters, compliance calendars, etc.), mainly using direct mailings.
- ! Develop SBAP brochures to distribute at trade shows or community meetings and to businesses on drop-by visits (only introductory meeting unless invited to do more).
- ! Produce a "Small Business Provider" Directory brochure.
- ! Develop a guidebook for small business startups that focuses mainly on environmental issues, but also includes other types of information (grants/loans, safety, etc).
- ! Generate several "industry specific" environmental audit videos.
- ! Improve/enhance Small Business Assistance Program website.

Level 2 - Build Credibility

- ! Partner with other small business providers to offer information and various forms of training. All information and training should be industry-specific and offered at times that coincide with a small business owner's schedule. Opportunities available include trade shows, association meetings, service organization meetings, chamber of commerce meetings, etc.

Level 3 - Build Trust

- ! Build on the strong foundation formed in levels 1 and 2 to gain the trust of Montana small businesses. This trust will help establish the type of relationship between the SBAP and small business that encourages on-site assistance. The SBAP can best assist a small business by visiting the actual operation; the best case scenario would be a request from the owner for on-site assistance.

Findings of the Phase One market survey: Eight Success Factors in Delivering Assistance to Montana's Small Businesses

From the focus group discussions, the following eight "Critical Success Factors" for the Small Business Assistance Program emerged.

1. **Keep environmental information simple, concise, and practical.** Provide business owners and managers with the information they NEED to have and give them resources to gather additional information at their discretion.

"We want the information that is important to us. We are very limited in our time and need the specific information." Miles City Business Owner

"I also think that when you get things in print, make it concise and to the point. Let us read it and direct us to other sources for more information if we want it." Miles City Business Owner

"I don't need to read about the dry-cleaning business, I need to read about my business."
Havre Business Owner

2. **Be industry-specific.** Use specific examples based on the industry so that those receiving the information know quickly how each issue affects them.

"I don't need to read about the dry-cleaning business, I need to read about my business." Havre Business Owner

3. **Communicate with Montana businesses primarily through direct mail.** This is by far the most desired form of communication as it allows the business owner or manager to address the information when they have time to give it their full attention.

"I open mail that is from somebody important. I would open up something that looks official and important, but if it looks like you are being solicited, I wouldn't pay any attention to it." Great Falls Business Owner

4. **Form a partnership with Montana businesses.** Work together providing education and support regarding environmental issues. Most compliance issues are derived from lack of knowledge, and not willful violation.

"I know a lot of people are scared of them (the DEQ) and if you see them coming to slap a fine on you, you might as well just put a 'For Sale' sign up in the window."
Great Falls Business Owner

"I think of them as environmental sheriffs." Great Falls Business Owner

5. **Respect businesspeople's time constraints.** Sessions should be held either during weekday evenings in given communities or at annual statewide industry conferences. These sessions should provide training manuals and tapes to allow those being trained to effectively pass their education to other employees within the business.

"To close for a day, I have to shut down my entire business. I would be more inclined to do an evening or a weekend." Great Falls Business Owner

6. **Schedule during "slow" seasons.** For example, road construction companies have more time for training in winter months when they are less busy with construction work.

"The training should happen when you have everybody together under one roof, industry meetings. Those work well because it is a slow time of the year." Havre Business Owners

7. **Personal visits can be time-consuming and intimidating.** All personal visits should be scheduled ahead of time, when it is convenient for the business owner or manager, and the visit should focus on assistance and education, more than "policing".

"Personal visits would be effective if they were done when I called the state for help... I wouldn't like them to just show up at my door." Great Falls Business Owner

"To close for a day, I have to shut down my entire business. I would be more inclined to do an evening or a weekend."

Great Falls Business Owner

8. **Build relationships.** The relationships will grow stronger through appearances at community small business meetings, training sessions, and finally personal visits to the business when appropriate.

"It makes a big difference to build a rapport with someone. That would make things much easier, but it rarely happens." Havre Business Owner #

The South Carolina SBAP Project

Assessing & Strengthening SBAP Outreach

Learning to reach a large number of phantom, high environmental risk small businesses

A significant small business sector calls for an extraordinary outreach effort.

Willie Morgan and Phyllis Copeland, Office of Environmental Quality Control (EQC) in South Carolina's Department of Health and Environmental Control (DHEC), were interested in measuring the success of the compliance assistance program and, in particular, being able to strengthen the outreach component of the program.

They wanted to target and reach one sector that represented a significant environmental threat: small auto repair shops, paint and body shops, and salvage yards. These are some of the most common types of small businesses in South Carolina. There is a large public demand for such services. The businesses are very small with little access to compliance information. Many are phantom operations not registered with the state as businesses, thus presenting a significant challenge in being able to make contact with them.

All of the businesses in this targeted group are subject to some type of environmental requirements that include permitting and waste management protocols. Many fall below air permitting thresholds. As

Auto repair shops and salvage yards are involved in a large number of environmental issues.

Storm water management
Waste water management
Air quality permitting
Solid waste management
Used oil
Antifreeze
Used tires
Metal recycling
Used paint/thinners
Batteries
PCBs
Cleaning rags
Hazardous waste management
Cleaners
Degreasers

The businesses are very small with little access to compliance information. Many are phantom operations not registered with the state as businesses...

a group they present significant environmental risks (see insert). They usually come to the attention of DHEC only when there is a complaint from a neighbor (i.e. odors, run off) or a serious spill or leak leading to fish kills, or to soil or groundwater contamination.

With most smaller operations in the target group below permitting thresholds, DHEC had a limited number of records of the sector members. The actual number statewide was unknown. There is a large number of them, possibly on the order of 5,000 to 10,000. The SC Department of Revenue had a list containing approximately 3,500 business names based on the Standard Industrial Classifications (SIC) for the activities associated with these businesses. An additional number of business contacts were available through trade group listing and internet searches.

The regulatory agencies were asking for help with this sector. In the past, outreach efforts by the regulatory program areas had not been successful. The most effective way to locate these operations would be to drive around and find them. Neither Enforcement nor Compliance Assistance has the resources to do that. Willie Morgan and Phyllis Copeland saw the 1999 Cooperative Agreements as a way to study, test and improve outreach to this sector.

Test a statewide outreach strategy organized around workshops delivered where customers live.

Outreach activities generally included mailings to the targeted small business sectors, workshop presentations, publication of articles and distribution of brochures through suppliers. Compliance assistance for the targeted businesses was made available in a number of formats that included the distribution of guidance documents, conference calls and on-site permit assessment.

For this sector DHEC decided on a special, intensive outreach effort organized around a comprehensive workshop model. The idea was to deliver the workshop many times in a few months in accessible geographical locations all around the state. This intense, localized effort was expected to get the attention of the customers and make it easy for them to attend.

The idea was to deliver the workshop many times in a few months in accessible geographical locations all around the state.

DHEC operations were organized into 12 EQC districts each with a district office. The SBAP scheduled a series of 13 workshops, at least one in each district. A workshop was a 3 to 3.5 hour program covering the full range of regulatory requirements as well as the compliance assistance services available. District regulatory staff was involved in each workshop since these were the agency people most likely to have one on one contact with

the businesses. The workshops were carried out over a three-month period in the spring of 2000. Sessions were held in the morning to provide the shop owners the chance to still get in a partial workday.

The demonstration effort consisted of three elements:

- ! **Marketing:** mailing to possible sites, referrals from EQC District Offices, outreach by partners.
- ! **Local Workshops:** 13 workshops were carried out in the 12 DHEC EQC districts.
- ! **Evaluation:** the effectiveness of the outreach would be assessed by an independent consultant and data collected on the target population to determine how to strengthen the program.

The budget for the project was \$93,000: about \$50,000 for the outreach program and \$43,000 for the contract evaluation.

It's about finding them and then working with them.

The most basic measure of success for this effort was workshop attendance. The objective was to get these small businesses interested, to get them to step forward. "We wanted to create an intervention that affects businesses on two levels: awareness of the compliance assistance program and use of program services," says Phyllis Copeland." Our goal was to bring the unlicensed into compliance. Part of our mission was to pin down who they are and where they are."

The workshops were marketed in three ways: by a mailing to 3,600 addresses developed from a Department of Revenue list, by district office referral of known businesses, and by distribution of brochures by suppliers and trade associations. Phyllis Copeland estimates that the marketing effort may have touched half of the total number out there.

There was an expectation that about 700 would show up at the workshops and this would result in 50 assistance site visits. The effort would create a big gain in compliance and provide a large database for evaluation and research on outreach improvement.

Attendance did not met expectations.

One hundred thirty-seven people registered for the 13 workshops, with 113 actually attending. Average attendance was nine, much less than the 50-60 anticipated.

The majority of the participants

The staff impression was that most of the people who attended... were already doing the right thing. None needed a permit. Those that needed assistance were not showing up.

were brought in through the mailing, a few through DHEC referrals. One supplier, Finishmaster, agreed to hand out brochures at its four locations. For the last workshop, a second mailing was done for businesses in the target area.

The staff impression was that most of the people who attended were not “high risk” or out of compliance. They were already doing the right thing. None needed a permit. Those that needed assistance were not showing up.

The workshops themselves were a major undertaking and expense. Six to eight staff were involved on-site in presenting each workshop. There was heavy staff travel across the state. Staff concluded that this was not a cost-effective way to reach the 5,000-10,000 small businesses in this sector.

Willie Morgan and Phyllis Copeland came away from the project with several insights:

- ! **Organize large scale outreach efforts as a systematic learning process.** Bring the evaluator on up front and use information to help design the approach. Don’t do as many workshops in one continuous flow. Break them up and do them in stages. Try different marketing approaches to increase participation.
- ! **The workshop model leads to great collaboration.** There was very good cooperation within DHEC between permitting, enforcement and compliance assistance programs. There was a feeling of “we are all in this together.” The state OSHA Program participated as a partner.

Insights:

Don’t do as many workshops in one continuous flow... Break them up and do them in stages... Try different marketing approaches to increase participation.

More creative work needs to be done to design effective outreach for this sector.

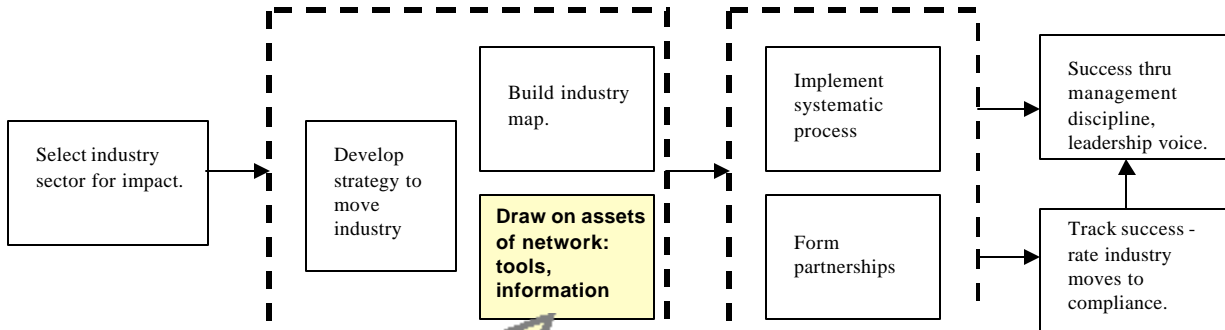
The evaluation will examine how outreach to this population can be improved.

In March 2001, a contract evaluator, Andy Rowe, was hired. He will design a study with two components: assess the experience of those who attended the workshops, and survey the target population to determine what outreach might be more effective. The study will use a telephone survey of those that attended and carry out a series of small sample surveys of the target population. The question being addressed is: “What will make it easier for you to attend?” The evaluation results will be available around December 2001.

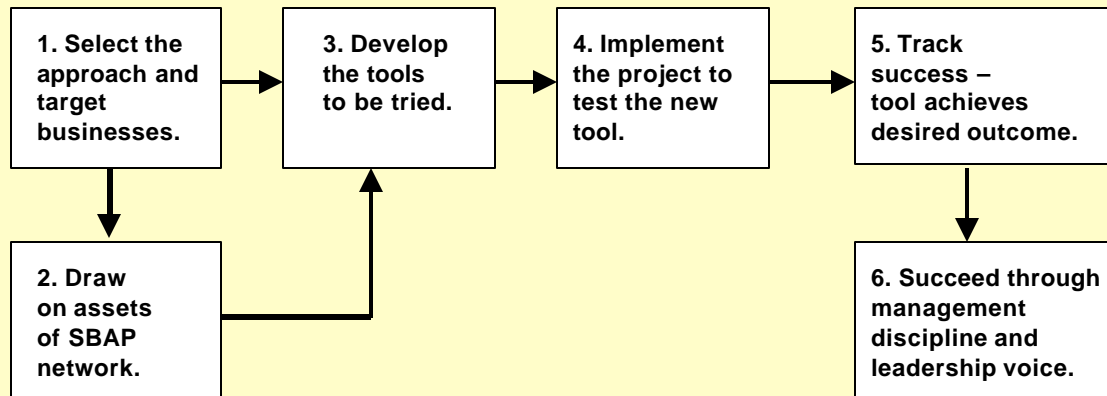
South Carolina is a “Type III” Project.

Type III projects are developing assets that can be used by the SBAP/SBO network in Type I and II strategies.

Type I: Manage an industry sector for full compliance, pollution free status.



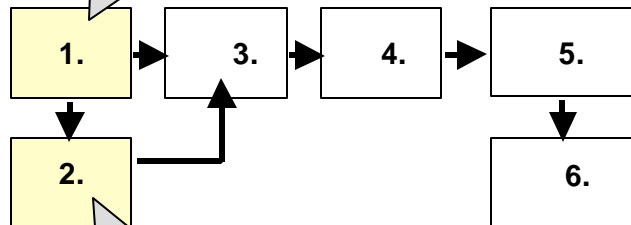
Type III: “Strengthen the program by developing useful tools for delivering assistance”
The approach can be described in terms of six steps.



1. Select Approach and Target Businesses.

Make it easy to reach out

- **An outreach challenge:** target a large group of small businesses where little is known about location and practices.
- **Create a cross state campaign** where a work shop is offered many times in different locations to make it easy and attractive to attend.



2. Draw on the Assets of the National Network.

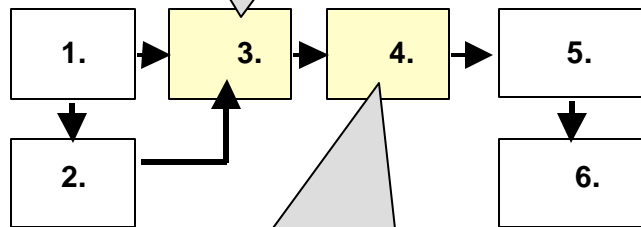
Don't reinvent the wheel

- Courtesy of the Vermont SBAP program, a multi-media guidance booklet was produced.
- Outreach materials already in use in regulatory program areas were utilized.
- Staff with expertise in the needed areas were deployed.

3. Develop the Tools to Be Tried.

A model workshop and delivery strategy

- Design an intensive, comprehensive workshop.
- Create a working partnership with regulatory agencies to design and deliver the workshop.
- Develop manual for use in the workshop.
- Organize faculty.



4. Implement the Project and Test the New Tool.

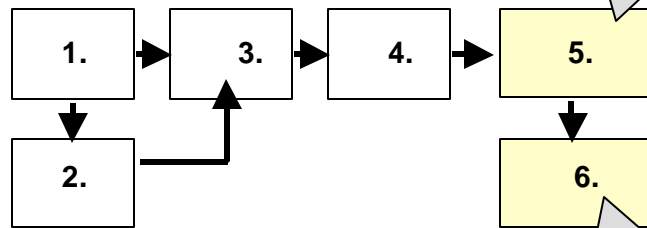
Execute the outreach campaign

- Market the workshops: 3,600 mailings and DHEC referrals.
- Thirteen workshops in the 12 state EQC districts over 3 month period.

5. Track Success: Tool Achieves Intended Use.

Attendance disappoints, evaluate for insight

- The 13 workshops had 113 participants.
- An evaluation will study the participants and the target population to determine how outreach can be improved.



6. Make It Available to Other States Through SBAP/SBO Network.

Insert text here.

- There is not text to insert here.

The Wyoming SBAP Project

Building An Outreach System To Find & Engage Our Customers

Getting The Word Out In Wyoming, A Small Town With Very Long Streets

Geography and culture challenge communication.

Wyoming's sparse population (500,000 people in the state), great distances (a small town with very long streets) and a tradition of "neighborly privacy" (offer help when needed, but give neighbors the space they need) presented a serious communication challenge for Dan Clark, Small Business Ombudsman.

While the population base is small, the environment the state program was charged to protect is vast, nearly pristine and vulnerable. It warrants best effort at protection and improvement. Dan Clark wanted to improve the SBAP's capacity to reach two groups: small businesses in the state affected by current and new regulations, and small businesses that fall under the regulatory thresholds but have a cumulative impact on the environment.

The Department Of Environmental Quality was already doing a good job of controlling permitted sources. However, many businesses in Wyoming are so small they do not require permitting, but still they handle and generate pollutants. The cumulative impact of these businesses can be significant and improving their practices could have a big payoff.

Compliance Assistance: *Reducing the Cumulative Effect of Pollution-Generating Small Businesses*

Many Wyoming businesses fly below the regulatory radar. For example, none of the dry cleaners in Wyoming require permits. However, those that use Perchloroethelene (PERC) as their cleaning solvent have to comply with regulations on tracking acquisition, use and disposal of that substance. In the past many of them have not done well at documenting and tracking this data. The result is that PERC pollution could be occurring at these facilities without anyone's knowledge.

Many businesses are so small they do not need permits. A furniture maker was discovered rinsing spray guns and cleanup supplies from a cabinet staining operation in a sink that drained into a private septic system. The waste stain and solvent was going into local ground water and then being pumped back up in adjacent private drinking water wells.

This business did not require permitting but was having a negative impact on the environment. Information and assistance from the outreach program helped this business correct this environmentally harmful activity.

"These businesses and many others like them are not captured by the regulatory system, but we want them in the compliance assistance system." says Dan Clark. "We need to interact with them to promote environmentally responsible action."

It's about finding them, working with them, and getting them involved.

The SBAP saw itself forming working relationships with the business sectors. “Our business sectors are small,” says Dan Clark. “The owners work hard. It’s tough to get them to read up on regulatory requirements... It’s difficult to find them and then it’s difficult to get them to participate. We want to reach them and get them involved in coming up with solutions... The key is to know who the customer is and how they are affected. Know what the businesses are doing.”

The SBAP wanted the small business owners to have a greater voice in standard setting and solution development. Its work is about creating opportunities for participation, says Clark. “For example, recently ranchers had to comply with surface water rules. Cattle were putting organic material into streams. This called for fencing of streams. There were public meetings held. Many participated and there was a great deal of discussion. Compliance resulted. This was a positive experience for the state and ranchers.”

Going into 1999 the SBAP did not have an information system or relationships that would enable it to communicate effectively and routinely with specific business sectors...It was time to invest and build a better way.

Going into 1999 the SBAP did not have an information system or relationships that would enable it to communicate effectively and routinely with specific business sectors and different types of generators. On any initiative it had to start from scratch researching and pulling together information from many sources. It was time to invest and build a better way.

Meet the communication challenge with an “outreach system”

Dan Clark saw the Cooperative Agreement as an opportunity to build a new outreach system. An outreach system means having the ability to communicate efficiently and effectively with businesses affected. Part of the system is the set of relationships with partners and businesses that keep it current and useful. The outreach system would result in effective communication on standards, compliance and best environmental practices.

As the project evolved, the “outreach system” was seen as having three elements:

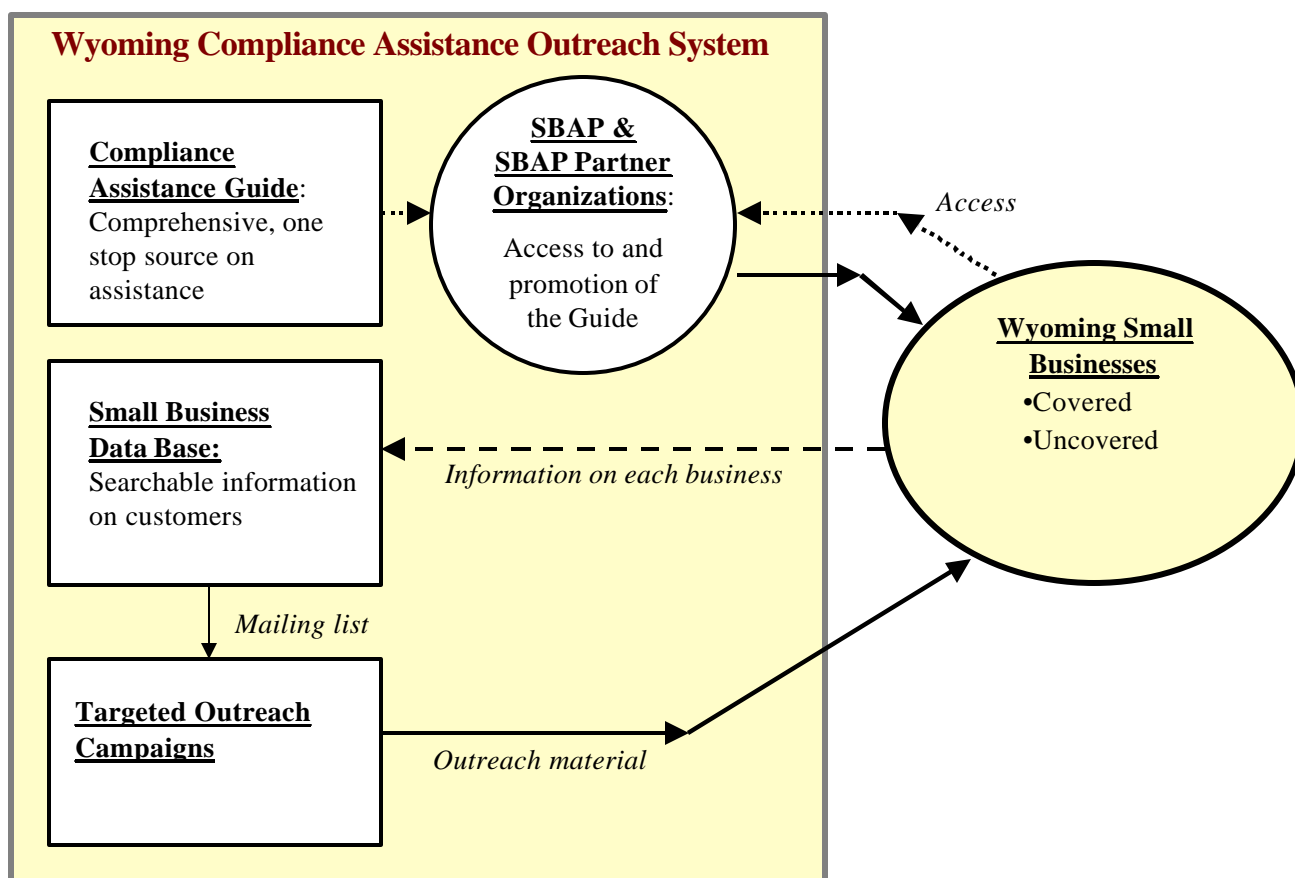
- ! A comprehensive database of small businesses in the state that can be sorted by SIC code, matched to environmental standards and threats defined by business category, and efficiently used to develop reliable mailing lists to targeted businesses.
- ! A one-stop-source of compliance assistance information, the Wyoming Small Business Assistance Guide, that will be used by a consortium of partners to help reach small businesses.
- ! An on-going series of targeted outreach initiatives, using the system to support communication with specific businesses on high priority topics.

This project would create an asset that would be at the core of all compliance assistance efforts. It would be an investment in infrastructure that would pay for itself many times over.

The cooperative agreement made \$69,000 available. This supported an intern for two years (\$30K), provided resources for publication and mailing (\$24K) and for travel (\$13K). In

Figure 1.

Building An Outreach System To Find & Engage Our Customers



January, 2000 an agreement was signed with University of Wyoming to provide an intern. The intern would develop and maintain the database and help develop the Guide. Corinne Beach was hired to staff the position.

Developing and maintaining a database of small businesses in the state is an important on-going role.

The SBAP outreach system is about disseminating information to the regulated businesses. At the heart of it is the Compliance Assistance Outreach Database. Dan Clark illustrated what was needed by describing recent experience engaging auto repair shops on the appropriate use of solvents by auto mechanics.

“We mailed a survey to 7,000 on a mailing list generated from the state tax file by SIC. We could only sort by 4 digits so we had

The Process of Building An Outreach Database

“We decided to build on existing DEQ databases.” Each division within the Department of Environmental Quality has a mailing database for the purposes for sending rule, contact, and general information to those requesting it, or those who have a permit with DEQ.

“Software incompatibility was a problem.” The database is in MS Access format for ease of sorting capabilities. Throughout the process, there were several problems with the software used. For example, some divisions had Access 95 while others had Access 97. Access 95 may be imported to Access 97, however the reverse is not possible. The database files were downloaded from Access to MS Excel in order to make data entry easier, but the same compatibility problems occurred in Excel.

“None of the databases had all the information we needed.” We needed an efficient way to make the database searchable by industry in order to be able to contact those facilities affected by specific standards. We began by using the state tax records and the State Business Directory Disk for Wyoming. The tax records provide PO Box addresses (with which many small towns in Wyoming operate) and information that is up to date for particular businesses. The problem with these records is that they only have the primary Standard Industrial Classification code (SIC code). Because there is only one SIC code per business, it is difficult to determine other activities of that business. A short four digit SIC code further complicates the matter. A search for one industry type may include several related industries. For example, a search for dry cleaners may list dry cleaners, rug cleaners, laundries, coin operated facilities, and embroidery companies.

Next we looked at the State Business Directory Disk. This CD tool functions much like the telephone book yellow pages. The disk does not provide a PO Box address, if applicable, and it is approximately a year outdated. However, the disk does provide multiple and six digit SIC codes, which allow for a more diversified search.

“We combined and cleaned the data.” By using both the DEQ division databases and the State Business Directory Disk, most of the information needed could be extracted. The division databases provided the current mailing addresses while the disk provided multiple six digit SIC codes. An attempt was made to merge these to sources by company name in order to make the transfer of information efficient. However, because the company names were not always spelled or abbreviated the same way, many did not match. The SIC codes were manually transferred from the State Business Directory Disk to the division databases. The process was somewhat labor intensive; however, it seemed to be the most efficient solution.

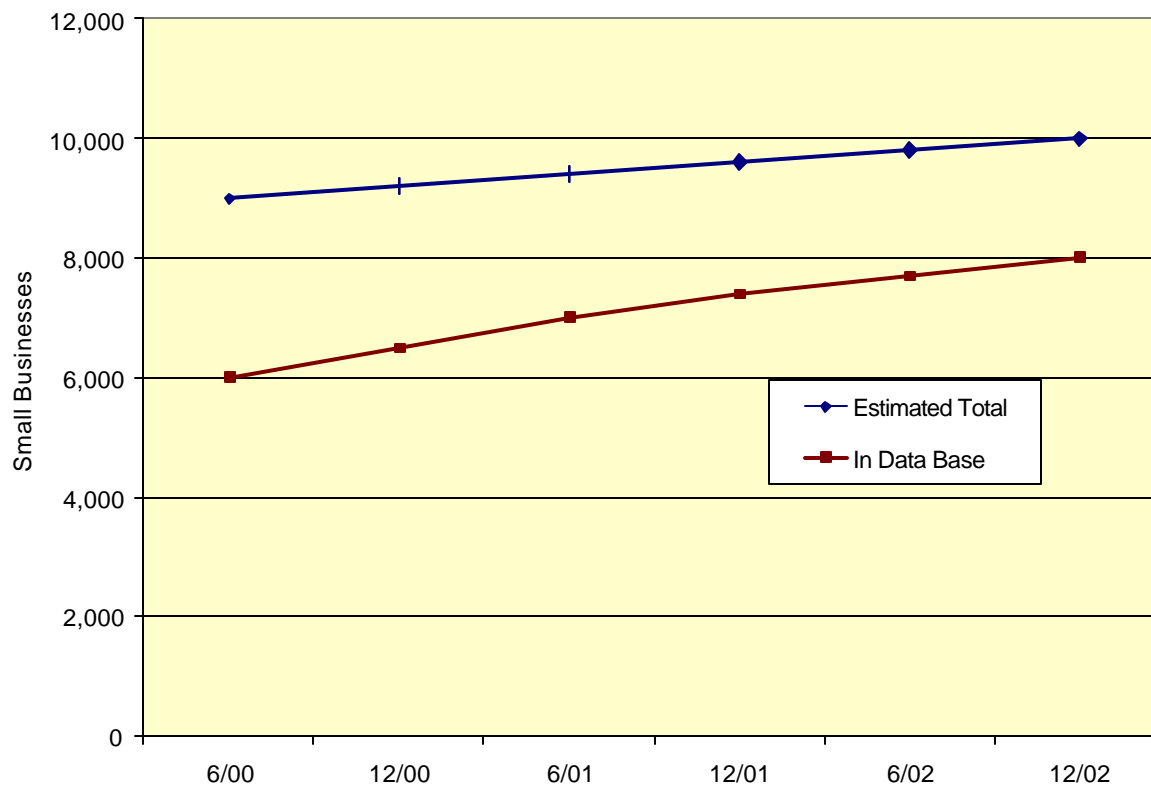
“The compiled database has 6,500 records.” The division database now is continually updated to keep all company names the same and addresses and SIC codes updated.

many businesses that did not apply, such as mini-mart gas stations. We got back 230 that met the criteria for standards. I want to be able to sort finer. I want to be able to be more cost effective in targeting, mailing and reaching business sectors.”

Corinne Beach began developing the outreach database in January, 2000 and had an operational version by April. It was a comprehensive and up to date contact list for the small businesses served. She combined a number of information sources beginning with those of the various DEQ Divisions (air quality, water, land, abandoned mines, ...) and then adding several external sources. Administrative people from the DEQ Divisions have agreed to maintain it. (See the insert describing the development of the system.)

The outreach database is estimated to have 3/4 of the businesses active in a sector. The hidden businesses are being added as compliance assistance efforts uncover them. The database is a capacity that grows and improves with use. The SBAP began using it immediately to generate mailing lists for business sectors: fiberglass and reinforced plastics, dry cleaners, confined animal feeding operations, waste oil generators, etc.

Figure 2.
Growth Of Outreach Data Base



The Guide will continue to grow and mature in content and in partnerships.

The second element of the outreach system, The Wyoming Small Business Assistance Guide, is based on the Minnesota Small Business Assistance Guide. That document was modified to include Wyoming organizations and standards.

The goal is to have in one document the full range of compliance assistance resources available in the state. It covers information for all standards. In the past the program had as many as 30 different brochures and pamphlets covering the full spectrum of environmental issues. Now that data is all in one document available both in hard copy and on the Internet.

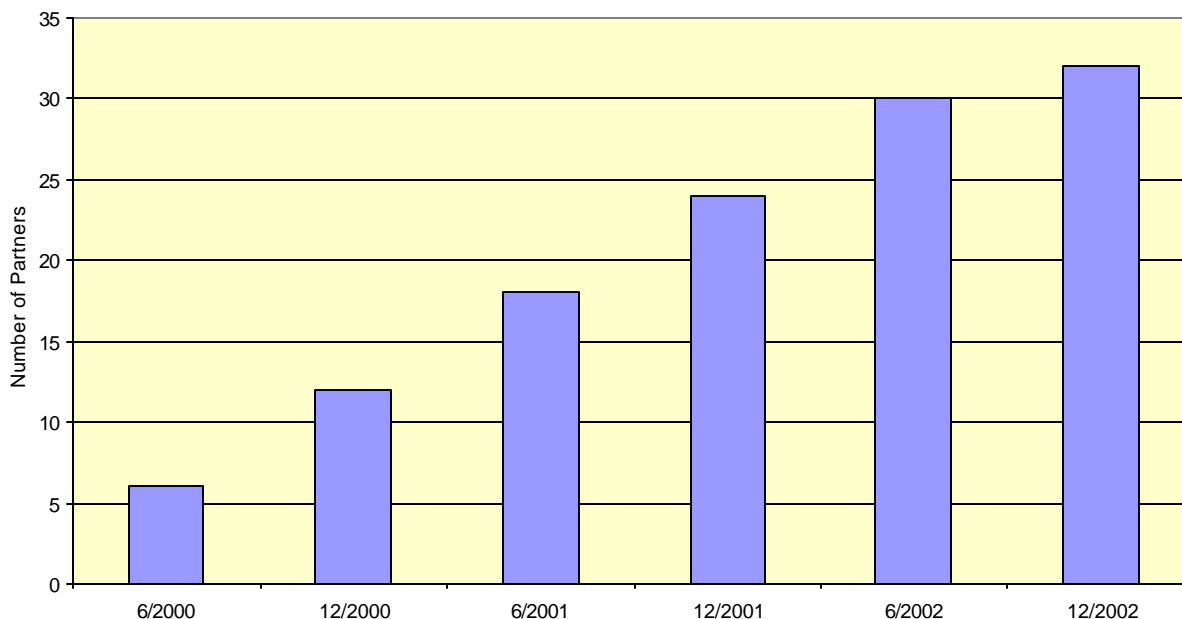
The Guide is a vehicle for forming partnerships. Partnerships developed the content, partners distribute it, and partners give small businesses access to it. In putting together the comprehensive content, the SBAP worked with:

- ! Department Of Environmental Quality regulatory staff
- ! Other parties in state government with programs touching small businesses (OSHA, Department of Revenue and the Wyoming Business Council)
- ! Federal agencies such as EPA (Region 8) and SBA
- ! Industry and academia (Mid America Manufacturing and Technology Center, University of Wyoming Technology, Innovation and Pollution Prevention Programs)

One Stop Shopping: The Guide

In the past the SBAP had as many as 30 different brochures and pamphlets... Now that data is all in one document available both in hard copy and on the Internet.

Figure 3
Number of Partners: Access To The Guide



The Guide is made available through the Department Of Environmental Quality web site and through all partner organizations. SBAP is partnering with regulatory divisions in the Department and outside organizations that serve as business information access points:

- ! Each county, community college and university library
- ! Department Of Environmental Quality Divisions
- ! Wyoming Business Council
- ! Small Business Development Centers
- ! Mid America Manufacturing Technology Center

The Guide is seen as a living document expressing the current state of compliance assistance. “We see the guide maturing. We will keep adding partners to make it more accessible to small business. We will be keeping it current as standards and technology change. We will work with partners to keep it fresh and useful.”

With the outreach system in place, the SBAP can now react to outreach opportunities.

The Wyoming experience has been that, if the SBAP can reach and work with small business sectors, good things will happen. It has seen collaboration produce research on best case business practices, development of optimum business solutions, and stakeholders moving to best approaches.

Dan Clark believes it is possible to generate a positive business scenario around each environmental situation covered by regulation. But one has to work to find it. “For example we have six small businesses in reinforced fiber glass subject to new standards...They build big things and the process is primitive – form, spray, cut. The new standard means: watch the amount, use new guns, less spray ... They save dollars by being more efficient and have healthier workers.” This kind of work requires time to develop trust relationships. It calls for long term compliance assistance efforts. That work is made more effective by investment in the Outreach System (see Table 1).

**Table 1. The Trend In Targeted Outreach Campaigns
With The “Compliance Assistance Outreach System”**

	Number of Targeted Outreach Campaigns	Number of Businesses Engaged
1999	3	87
2000	6	180
2001	9	270
2002	12	360

“Now we are responding to targets of opportunity. For example, recently the Park Service banned snowmobiles in Yellowstone Park. Now we have targeted all businesses that use, service or rent recreational vehicles, such as snowmobiles and 4 wheel off road vehicles. We will do an outreach campaign to them.

“This ban is a big public issue in the state. The campaign will have two objectives. One is to provide information to get each machine to pollute less. We can teach how to tune and maintain existing machines, we can show them the advantages of 4 stroke compared to 2 stroke engines.

“Second we want to create an incentive to come up with an environmentally sound machine, one that won’t be banned. We can take the number of machines affected, their use patterns and the incremental emission improvement to make a powerful case.”

Targeting the Outreach:

The Compliance Assistance Outreach System responds to a request from regulators.

The air quality regulators found that the dry cleaners (using PERC) were not complying with reporting requirements. The regulators asked SBAP to conduct an outreach campaign that would inform them of requirements and move them to compliance.

The first questions that must be answered are: who are these businesses and where are they? We wanted to send an educational letter to them so we had to generate mailing lists. We identified possible sources of names and addresses:

- American Business Directory CD (commercial list)
- Wyoming Department of Revenue (tax records)
- Department of Environmental Quality (Division Databases)
- Mid-America Manufacturing Technology Center
- Small Business Development Centers
- Wyoming Workman’s Compensation Office
- Internet US WEST and AT&T Directories

We began by searching the American Business CD Program and found 54 dry cleaners in Wyoming. The 6 digit SIC codes distinguish between dry cleaners and laundries/specialty cleaners. However we were unable to determine type by hazardous waste use. We only had street addresses which are insufficient for mailing lists.

The Wyoming Department of Revenue was queried for cleaners listed in state tax records. We found 217 potential sites but this list only had 3 digit codes so we were unable to distinguish between dry cleaners and laundries/specialty cleaners. The list did, however, have PO Box addresses, making it good for mailing lists. We merged our CD and state tax records and found 38 matched establishments.

Next we reviewed Solid & Hazardous Waste and Air Quality division records to locate PERC use records. Twenty six of the 38 businesses on the list had reported PERC use. We called the 12 who had not reported PERC and determined that 6 of the 12 were users.

We verified proper mailing addresses for the 32 PERC dry cleaners in the state and mailed information to them concerning proper documentation of PERC use.

The growth and utility of the outreach system can be measured.

The outreach system has three objectives: locate all the small business customers over time, organize more and more partners around the guide, and enable more and more targeted outreach campaigns. Its performance can be captured in three measures.

First is the number of businesses in the database relative to the total number of small businesses that are covered and uncovered. By June, 2001 there had been 7,000 businesses in the database. It is estimated that there are in excess of 9,000 businesses that could be included. Each year the SBAP will narrow this gap. (See Figure 2, page 5.)

Second is the number of partners participating in the developing and creating access to the guide. By June, 2001 the number of partners has grown to 18. The SBAP intends to keep adding partners. (See Figure 3, page 6.)

Third is the number of targeted outreach campaigns undertaken with this system. Because of the system, outreach can be planned and is more cost effective. There will be more campaigns and more businesses reached. Table 1, page 7, shows estimates of how SBAP intends to use the system in this way.

Building a community around environmental quality and compliance.

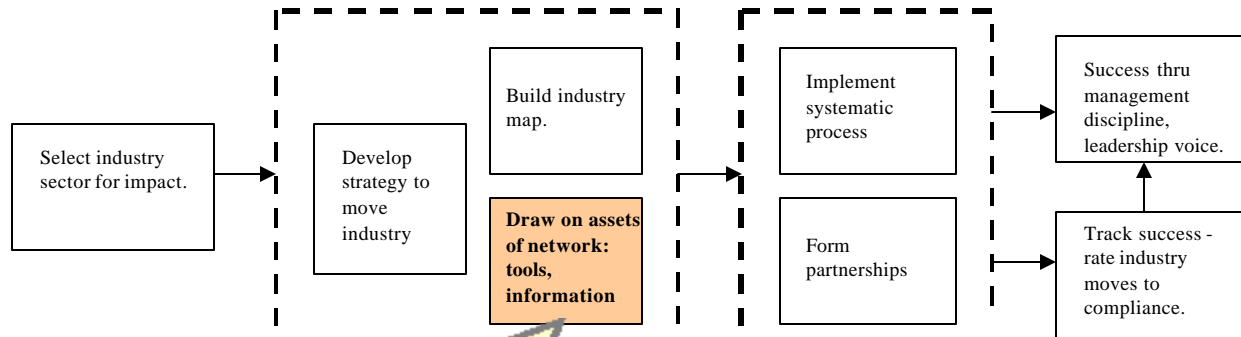
Dan Clark describes the Compliance Assistance Outreach System as creating an arena where everyone can play and win. It is a tool the SBAP uses to communicate effectively, to enable customer participation, and to generate business sector specific solutions that lead to increased environmental compliance and opportunities for pollution prevention.

The Compliance Assistance Outreach System supports these activities with mailing lists and information. It uses these activities to update and improve its small business database and information content. This entire system is a tool for integrating and leveraging all the activities of the SBAP: hotline calls, on-site visits, seminars and workshops, publications and mailings.

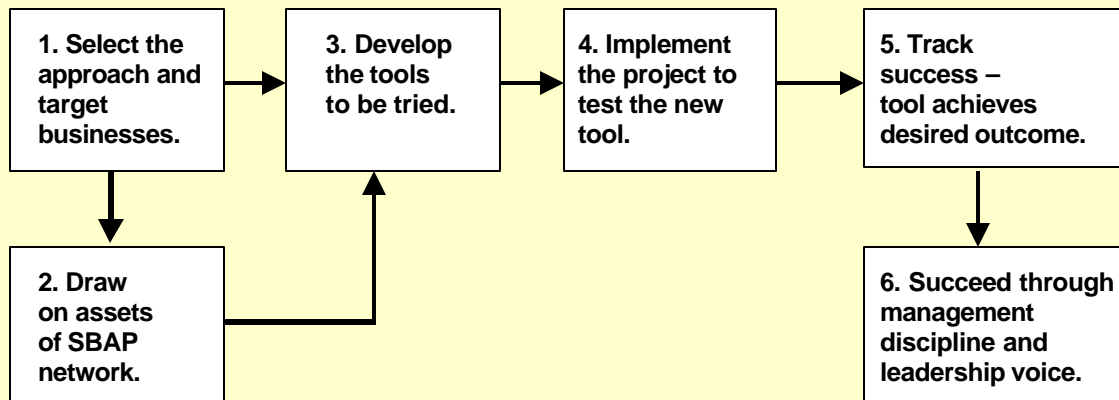
Wyoming is a “Type III” Project.

Type III projects are developing assets that can be used by the SBAP/SBO network in Type I and II strategies.

Type I: Manage an industry sector for full compliance, pollution free status.



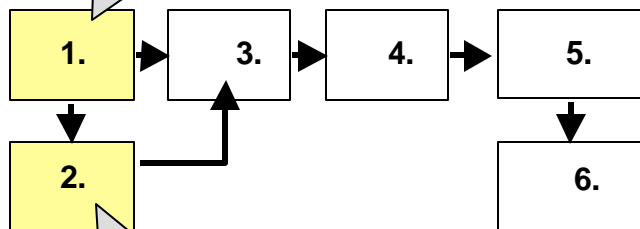
Type III: “Strengthen the program by developing useful tools for delivering assistance”
The approach can be described in terms of six steps.



1. Select Approach and Target Businesses.

Make it easy to reach out.

- **Build an outreach system** that would make communication in a large, sparsely populated state cost effective.
- **Build a searchable data base** of small businesses by sector in Wyoming.
- **Consolidate all compliance assistance information** in one comprehensive and accessible source, the Guide.



2. Draw on the Assets of the National Network.

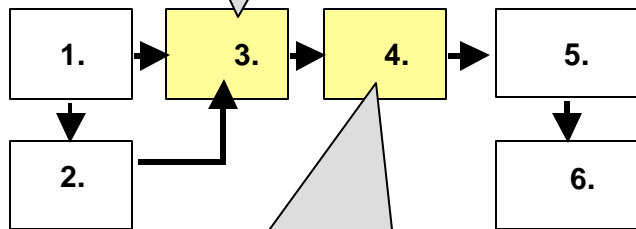
Build on the work and example of other states.

- Take the Minnesota Compliance Assistance Guide and adopt it for Wyoming.
- Use the model to attract partner organizations to the effort.

3. Develop the Tools to Be Tried.

Create infrastructure with long term utility and pay back.

- **Constructed the small business data base** over a 4-6 month period.
- **Developed the Compliance Assistance Guide** in a partnership effort (6/00 – 3/01)
- **Established access to the Guide** through partners and the web (1/01 –3/01)



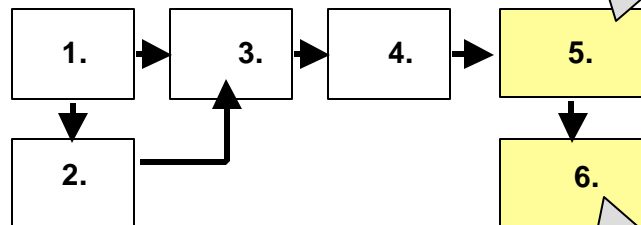
4. Implement the Project and Test the New Tool.

Execute outreach campaign.

- **Responded to DEQ requests** to assist certain targeted business sectors with low compliance records.
- **Responded to opportunities to target sectors** where public attention would make an outreach campaign highly effective at increasing compliance or moving to best environmental practice.

5. Track Success: Tool Achieves Intended Use.
Everyone Begins to Play.

- **Partnerships developed** as intended around development and deployment of the guide. Successful in getting participation and support of regulators.
- **Guide proving to be very attractive** to small business supporters.
- **Data base useful for engaging targeted business sectors.** An effective mechanism for getting the word out to everyone.
- **Annual survey of satisfaction with compliance assistance** will monitor success.



**6. Make It Available to Other States
Through SBAP/SBO Network.**

Advocate state investment in outreach infrastructure.

- **The outreach system is recommended to other states.** It is a tool that bridges the gap between regulators and the public. It enables SBAP to reliably and consistently deliver the right information to the right small business at the right time.